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Group of Eight Finance Ministers Issue Statement

PA2009211089 Hamburg DPA in Spanish 1842 GMT 20 Sep 89

[Text] Cancun, 20 Sep (DPA)—The finance ministers of Argentina, Brazil, Colombia, Mexico, Peru, Uruguay, and Venezuela have called for greater financial support from industrialized countries, multilateral organizations, and private banks in order to solve the foreign debt problem and resume economic growth.

At the end of a meeting held in the Mexican tourist resort of Cancun, the ministers noted that the support offered by the IMF and the World Bank to implement steps aimed at reducing the debt represent the first important step in the solution to the problem.

The meeting of the Group of Eight finance ministers was held at the same time as a meeting of the governors and directors of central banks of Latin America, Spain, and the Philippines, who gathered at a "regional financial summit" that formally ended at noon today (local time) with a luncheon hosted by President Carlos Salinas de Gortari.

Directors of several international and multilateral organizations such as Gert Rosenthal, executive secretary of the Economic Commission for Latin America (ECLA); Enrique Iglesias, president of the Inter-American Development Bank; and Antoine Blanca, representative of the UN secretary general, attended the meeting as observers.

In their statement the finance ministers stressed that despite the progress made by certain members in the renegotiation of their debt, the current strategy requires greater support from multilateral organizations.

They conceded that the IMF and World Bank support for procedures to reduce the debt used by certain member countries in their renegotiation is "an important first step" for the solution of the problem. However, they noted that "a true involvement" on the part of these organizations would result in more available resources and greater flexibility in their credit criteria and operations.

They stressed the importance of the upcoming IMF and World Bank meetings to be held in Washington on 24 September, and expressed hope that these organizations will make a commitment to quickly and efficiently help make a success of debt reduction operations.

They also said that the intra-Latin American debt, which regional financial organizations estimate at $12 billion, calls for an overall solution linking finance with commerce. Furthermore, they proposed the drafting of a Latin American program to finance integration.

The document was signed by Ministers Mailson Pereira da Nobrega (Brazil), Pedro Aspe (Mexico), Cesar Vasquez Bazan (Peru), Ricardo Zerbino (Uruguay), and Eglee Iturbe de Blanco (Venezuela), as well as Colombian Deputy Finance Minister Luis Bernardo Flores Enciso and Argentine Central Bank President Javier Gonzalez Fraga.

Peru's Larco Comments on Ica Summit Agenda

PY2109031489 Lima Television Peruana in Spanish 0100 GMT 21 Sep 89

[Text] Foreign Minister Guillermo Larco Cox today announced that drug trafficking and the foreign debt will be two of the main topics to be discussed at the upcoming Group of Eight meeting to be held from 10 to 13 October in Ica, Peru.

Larco Cox said that the final touches are being put on the agenda for this meeting, which will be attended by seven Latin American presidents.

[Begin recording] [Reporter] The Group of Eight summit will be held 20 days from now. How are the preparations for this meeting going?
[Larco Cox] Everything is practically ready. We have set up a program that requires a preparatory meeting of foreign ministers in Trujillo from 8 to 10 October. The 2-day summit will begin on 10 October in Ica, further evidence of Peru's decentralization program.

[Reporter] What topics will be discussed at this important summit?
[Larco Cox] The Mechanism for Agreement and Consultation, commonly known as the Group of Eight, is designed to consult and to seek agreement on a number of eminently political topics, which will later be discussed with other countries or groups of countries. This effort is designed to reconcile the positions of the member countries of this group so that they may adopt a common position in international forums or at multilateral meetings.

[Reporter] Do you think that the foreign debt, an issue that concerns all countries, will be discussed at this summit?
[Larco Cox] The foreign debt will undoubtedly be one of the topics of discussion. Understandably, I cannot give any specifics about the topics because a declaration will be issued at the end of the summit. We foreign ministers have already met twice to discuss this declaration. We will meet again—for the third time—in Trujillo, and then the presidents will discuss the declaration, approve it, and make it public. We can say, however, that the topics that are really on the table, to put it one way, are the drug trade and its consequences—damage to the environment and to the ecology—and its connection, especially in Peru, to terrorism. [end recording]

Cuba

Division General Batista Welcomes Combatants

FL2009161889 Havana Tele-Rebelde Network in Spanish 1100 GMT 20 Sep 89

[Text] Late last night, another group of internationalist combatants arrived in our country from Angola after honorably fulfilling their mission. They were bearing numerous medals on their lapels. The group of 150 combatants was headed by Lieutenant Colonel William Naranjo Fernando. He was the first one to be welcomed by Division General Sixto Batista, member of the Communist Party of Cuba Secretariat; Brigade General Efigenio Ameijeiras; and other representatives of political and mass organizations.

CEMA Representatives Discuss Oil Industry

FL2009143889 Havana Tele-Rebelde Network in Spanish 1100 GMT 20 Sep 89

[Text] The systematic work in the search and exploration of oil has increased the extraction levels of crude this year to 800,000 tons. During the opening session of the second meeting of CEMA's Oil and Gas Refinery Bureau, Basic Industry Minister Marcos Portal gave an extensive briefing to representatives of Bulgaria, Hungary, the GDR, Cuba, Poland, Romania, USSR, CSSR, and Yugoslavia on the sphere's activities.

He said over 4 million tons of crude should be extracted during the current 5-year period. This would exceed the amount reached during the last 5-year period by over 1 million. The delegates will visit the Matanzas supertanker bases and the Centro oil extraction and exploration enterprise in Varadero. The meeting will end on 22 September. The participants will discuss a proposal made by the host country for CEMA's cooperation in the development of the Cuban oil industry.

State Committee for Statistics Releases Census

FL2109030889 Havana Radio Rebelde Network in Spanish 2327 GMT 20 Sep 89

[Report by Tony Gonzalez Martin from headquarters of State Committee for Statistics on "Exclusivo" program, hosted by Daniel Torres—live]

[Text] [Gonzalez Martin] Good evening, Daniel. Good evening to all listeners of Radio Rebelde's "Exclusivo" program. This is an exclusive, truly exclusive report.

Comrade Fidel Vascos Gonzalez, minister president of the State Committee for Statistics, told us during a meeting he just held with journalists that there are now more than 10.5 million Cubans. According to records dated 30 June 1989, the Cuban population exceeds 10,513,744 and has a growth and mortality rate of close to 1 percent. The structure of our population is as follows by age:

The ages of 0 to 23 comprise 23 percent of the population. The ages of 60 and over comprise 11.77 percent of the population. This category shows a tendency toward growth due to the standard of living attained by our people.

[Torres] Tony, txt2
[Gonzalez Martin] Yes?

[Torres] Do you have the statistics for how many men and women there are in Cuba?
[Gonzalez Martin] Of course, I will get that for you. The most recent index for men, the number of men per women, is 1,014 men per 1,000 women. Nevertheless, Havana City is the only province in the country where there are less men than women. In Havana City, there are 921 men per 1,000 women.

Life expectancy, according to 1984 statistics, is 74.28 years. The statistics for 1988 are currently being processed and it appears that this rate is also growing.

Marriage statistics have remained stable at 7.9 percent per 1,000 residents. There has been a slight increase in the number of divorces, which is at 3.4 percent per 1,000 residents. Havana City, Havana, and Matanzas Provinces have the largest number of divorces in the country.

In 1988, Cuba grew 1.8 percent. The fastest growing provinces in our country are Las Tunas, Cienfuegos, Guantanamo, and Ciego de Avila, because of their mortality rates. The provinces that are not growing as much are Villa Clara, Havana City, Sancti Spiritus, Pinar del Rio, and Isle of Youth.

Comrade Fidel Vascos also told us about a reduction in unnecessary statistics, which was something that the State Committee for Statistics received criticism during the last congress of the Communist Party of Cuba. Statistics from the years of 1986 to January 1990 have been reduced by approximately 40 percent. The focus is now justifiably on the quality of the statistics, on their utility, and not on the quantity. A strong emphasis is also being placed on the so-called black statistics. Those are the unofficial statistics used by state organizations and enterprises. In-depth studies and analyses are also being conducted in 118 national and provincial enterprises on their reports, meetings, statistics, etcetera, to obtain conclusions that could be used, in general, throughout the nation.

Varadero Airport To Begin Operating 25 Sep

FL2009183589 Havana Tele-Rebelde Network in Spanish 1700 GMT 20 Sep 89

[Text] The main facilities of the Varadero Airport will begin operations next Monday. Currently, the main projects are being completed so that they can be inaugurated on 25 September. The technological unit and the service areas are getting their finishing touches so they

can begin operating. On 23 and 24 September, test take off and landings with passengers aboard the planes will be carried out.

[Begin recording] [Engineer Luis Blanco, chief of project planning] Right now, we have practically completed the runway. The only thing that remains are the sides of the runway; they are two strips 105 meters wide, one on each side. The phase we are working on now is the spreading of the [word indistinct]; we are almost done with that. We have covered almost 3 and ½ km; when that is finished, we will have completed the runway.

[Unidentified reporter] So, this is the critical part of your work?
[Blanco] Yes. It is the technical area. This is where you will find the air terminal building, the technical unit, the auxiliary buildings, the [word indistinct] station, the control tower, and the fire rescue station. It also has some additional areas. We call all this the technical area. The projects in this area are practically finished. [end recording]

Caribbean Affairs

Commonwealth Finance Ministers Meeting Begins

FL2009215789 Bridgetown CANA in English
1848 GMT 20 Sep 89

[By Julie Chen]

[Excerpt] Kingston, Jamaica, Sept 20, CANA—Commonwealth Secretary General Shridath Ramphal said on Wednesday that the economic prospects of developing countries in the 1990s could be less promising than during the 1960s. Speaking at the official opening of the meeting of Commonwealth finance ministers at the Jamaica Conference Centre, Ramphal outlined the obstacles facing developing countries in their quest for economic growth and stability.

Growth experience among developing countries, he said, was being increasingly polarised with some East and South Asian countries showing impressive performances while a development crisis continued to haunt much of Sub-Saharan Africa and Latin America. Even in these regions there were pockets of "good economic growth", but the overall experience was one of stagnation and impoverishment, Ramphal said.

In a wide-ranging speech, the secretary general looked at the issue of the debt crisis and some of the measures being adopted to deal with it. He expressed concern that the recent Brady debt plan focussed too narrowly on a limited number of countries.

"It does not address the problems of countries which have managed to service their debt under difficult economic circumstances but which, nevertheless, continue to carry a large debt burden, nor does it address the problems of those middle-income countries whose debt is owed predominantly to official creditors," Ramphal said.

Ramphal also spoke on the role that the International Monetary Fund and the World Bank played in the debt crisis and debt reduction strategy. While commending the initiatives of both institutions in dealing with these issues, he said that in doing so, the roles of the fund and the bank were overlapping. [passage omitted]

U.K. To Give Up To $1.57 Million in Aid

FL2009212089 Bridgetown CANA in English
2059 GMT 20 Sep 89

[Text] London, Sept 20, CANA-REUTER - Britain is to give up to 1 million pounds sterling (1.57 million U.S. dollars) in aid to hurricane-hit Caribbean islands and has already airlifted relief supplies to Antigua, Overseas Aid Minister Lynda Chalker has said.

She said in a statement that British experts would tour the area to assess where the funds were needed most.

Cargo planes from Britain's Royal Air Force were being prepared in Belize to ferry supplies and 20 military engineers to stricken areas, Chalker said.

Barbados

Drug Problem Discussed at Sandiford-Bush Meeting

FL2009234289 Bridgetown CANA in English
2329 GMT 20 Sep 89

[Text] Bridgetown, Barbados, Sept 20, CANA—Barbados Prime Minister Erskine Sandiford told United States President George Bush at the White House on Wednesday that the Caribbean Community heads of government supported the revised Caribbean Basin Initiative [CBI] legislation, a government statement here said. The codification into law of the guaranteed access level programme for apparel and other textiles, and the establishment of a guaranteed minimum floor for CBI sugar are two provisions of the CBI bill which are of substantial importance to Barbados and the Caribbean economies in general, the statement said.

Sandiford, who is on an official visit to the United States, and Bush also discussed issues including the current negotiations between the two countries for a double taxation agreement and the loss of the federal excise tax exemption relating to international business companies. The statement said the two leaders discussed the drug problem and Sandiford indicated that cooperation among countries was vital for dealing with both the demand and supply aspects of the problem.

British Virgin Islands

Hurricane Damage Estimated at $200 Million

FL2009225589 Bridgetown CANA in English 2145 GMT 20 Sep 89

[Text] Castries, St. Lucia, Sept 20, CANA—The British Virgin Islands on Wednesday appealed to the Organisation of Eastern Caribbean States [OECS] for emergency aid in the aftermath of Hurricane Hugo.

In a brief message to the OECS Secretariat in St. Lucia, Chief Minister H. Lavitty Stoutt put the damage caused by Hurricane Hugo at 200 million U.S. dollars. Major hotels had been hit and "all roads" were destroyed, Government Information Service officials quoted Stoutt as saying. The chief minister appealed for "urgent assistance" in the form of money and building material.

The British and U.S Virgin Islands, Antigua, Guadeloupe, St. Kitts and Nevis, and Dominica reported extensive damage this week after contact with Hurricane Hugo.

Dominica

Millions of Dollars Worth of Road Damage Reported

FL2009232089 Bridgetown CANA in English 2202 GMT 20 Sep 89

[By Morris Cyrille]

[Text] Roseau, Dominica, Sept 20, CANA—Hurricane Hugo caused at least 15 million East Caribbean [EC] dollars worth of damage to Dominica's roads, Communications and Works Minister Alleyne Carbon said Wednesday. The figure, largely representing damage by landslides and the sea, is conservative, Alleyne [as received] admitted.

Several coastal roads were damaged by rough seas associated with Hurricane Hugo, which rampaged through the Caribbean this week, leaving more than 20 persons dead and several million dollars in damage.

Alleyne said that the Scots Head-Soufriere Road was among the hardest hit and the restoration work was expected to cost about 5 million dollars (one EC dollar—37 U.S. cents). Senior government officials here say the network of roads and the agricultural sector were hardest hit.

While only a small number of houses in the north and northeast were seriously damaged, the hurricane destroyed 80 per cent of the banana plantations in those areas. The north and the northeast produce about 90 per cent of the bananas grown here. Bananas are a major source of foreign exchange for Dominica.

Two officials from the Caribbean Development Bank, headquartered in Barbados, are due here Sunday to assess the damage to agriculture and infrastructure.

Haiti

Liaison Committee Supports Avril Government

FL2009153289 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 19 Sep 89

[Excerpts] The Liaison of the Democratic Forces [formerly known as Liaison Committee of the Democratic Forces] held a news conference yesterday to mark the 1st anniversary of General Avril's government.

[Begin recording] [Unidentified reporter] Lawyer Daniel Narcisse, the coordinator of the Liaison Committee of the Democratic Forces [name as heard] said this morning [18 September] at a news conference, held at the Liaison Committee's headquarters located on Rue Capois, that the Liaison Committee sees a real desire for reform and justice in the Gen Avril government at the present time.

The Liaison Committee noted that the 17 September government's first year has been characterized by a spirit of dialogue and a desire to restore the Army to a dignity which had been sullied and debased under the Duvalier and Namphy regimes.

The committee sees a political will in the current government to consider the complaints of the masses.

Narcisse added that the government has not stood by complacently in the face of the high cost of living. The Ministry of Commerce is intervening in this matter and has set up a committee responsible for finding measures to solve the problem. Many decrees have been issued on the regulation of rising prices in Haiti.

Narcisse declared that the Liaison Committee is standing at the side of the 17 September government after not failing to mention the decree announcing that land would be distributed to the peasants, that literacy efforts will resume, and a commissariat for overseas Haitians will be created. He also noted the exiles who have returned to Haiti to live, the reform being effected within the Army and the court system, the struggle against drugs, the holding of the national forum, and so forth. Narcisse said that it is for all these reasons that the Liaison Committee is standing at the side of the 17 September government. Narcisse added that in his opinion, this is the best government Haiti has had since 1986.

[Narcisse] We can clearly say that the government has won great victories on the international level, too. One such great victory is the opening to the Caribbean. We have returned to the bosom of the Caribbean as full and equal partners. Also, there has been an opening to Africa and, especially, a new thrust at the Lome conference. [passage omitted]

The Liaison Committee submitted many memos and studies to the government, which fortunately made decisions reflecting the recommendations of the Liaison Committee. The support the Liaison Committee has

given and will continue to give the 17 September government can be explained by the fact that from the very first time we met with the government, last October, we noted and we have become profoundly convinced that the objectives of President Avril and his entourage were to build a democratic and just society that exists to provide well-being for the greatest number.

We challenge anyone to come forth and show us anyone who has done a better job than the Avril government between 1986 and the present. [passage omitted]

It would be better if all democrats struggling for social, economic, and political democracy and political pluralism in Haiti were to support the government. If they were to back the government, it would have more strength to struggle against the Duvalierist old guard. [end recording]

Although the Liaison Committee declares it is a part of and supports the government, it is not unaware of the fact that there is still much to be done in Haiti. Narcisse said a rule of law must be established. Section chiefs will stop having the right to repress the peasants. The Army will stop harassing people who express their convictions. The police will seek a solution to the matter of insecurity.

Narcisse suggested that Haiti trade with Eastern Europe.

The Liaison Committee's deputy coordinator, Gilles Hendrick, talked about the current political and economic crisis in Haiti.

Hendrick feels the current economic crisis in Haiti is based on the fact that the gourde cannot be used anywhere but in Haiti. The reason Haitian people cannot solve a number of small and preliminary problems is because the Haitian people have never managed to put a person they want into power.

Workers Confederation Supports Initiative

FL2009154589 Port-au-Prince Radio Nationale in Creole 1300 GMT 19 Sep 89

[Excerpt] [Passage omitted] The national conference on poverty, organized by the Social Affairs Ministry under the sponsorship of the president of the military government, will remain in everyone's memory as an act having great social impact, considering the poor living conditions of most of our compatriots in the rural areas. Although there are people who look upon the ministry's initiative as a big joke, others, such as Jean-Claude Lebrun of the Confederation of Haitian Workers [CTH], considers it one of the most serious initiatives undertaken by this government.

Mr Lebrun also said that any government that wants to (?work with) the masses must include a campaign against poverty in its programs.

Since poverty is connected with the way the land is exploited, Lebrun advises all sectors of the national life to mobilize to unleash a true reforestation campaign to haul the country up from the abyss into which it has fallen.

Lebrun said that the CTH is ready to apply the recommendations resulting from the work of the national conference on poverty.

Peasant Movement Assesses Haitian Situation

FL2009185589 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 20 Sep 89

[Excerpts] Here are the Papaye Peasants Movement's [MPP] thoughts on the Haitian situation after 1 year of the Avril government. MPP says that a year of the Avril government is a year of woes for the Haitian masses. This was a year of bluff [preceding word in English], murder, and constant anxiety. Therefore, they are sounding the conch shell, calling for everyone to rise up and say no to General Avril's contract (?with) the IMF and no to the contract to sell the nation piece by piece to the imperialists.

MPP says: If we allow the conspiracy to establish a military base on Mole Saint-Nicolas, the conspiracy regarding La Tortue Island will also succeed. We say rise up and say no.

Let's say no to the business of distributing government lands to peasants for a short time. This constitutes lack of respect for the right of all poor peasants to be (?lord and masters) of a piece of land.

Let's say no to the Struggle Against Poverty program that Gen Avril has set up. This is pure demagogy and bluff [preceding word in English]. Actually, this is electoral campaigning. It is certainly not the government that is going to attack the causes of poverty in Haiti. The government would have to attack itself because the government is responsible for the current poverty of the nation. This is just a maneuver aimed at demobilizing the peasant organizations.

Despite the fact that the government abolished the marketplace tax— one of the MPP's big demands—its goal is to lull the people. It was done at this particular moment to prevent the population from rising up against the deadly IMF project.

Here is what the MPP demands: Quickly set up throughout Haiti a program to repopulate the nation with long-snouted Creole pigs. The Creole pigs were the peasants' source of income. They must be brought back.

Issue a decree abolishing the taxes the peasants pay to lease governme[illegible] lands, which are completely eroded. Obtain the money, instead, from the salaries being paid to bigshots and from the profits the bourgeois make at the expense of the Haitian people, whether it be in commerce, factories, banks, or elsewhere.

Stop the civil registry from making peasants pay for birth certificates, which are supposed to be free.

Fire all macoute section chiefs and macoute members of the Armed Forces who are repressing the poor and preventing peasant organizations from holding meetings freely.

The MPP says further: We continue to demand justice for everyone whose rights have been violated in Haiti. [passage omitted]

We demand that the government repair the roads that are causing the deaths of the children of the Haitian people, especially the road to Hinche and the road to the northwest.

This is an excerpt from the MPP's thoughts on the Haitian situation. [passage omitted]

Conacom Opens Congress, Becomes Political Party

FL2009174189 Port-au-Prince LE MATIN in French No 28.813, 19 Sep 89 pp 1, 5

[All names as published]

[Excerpts] The opening ceremony of the second national congress of Konakom [National Committee of the Congress of Democratic Movements, French acronym is Conacom], now a political party, took place at the Vertaillis Night Club in Carrefour Marin (National Highway No 1) last Friday 15 September. [passage omitted]

In a speech that lasted more than 1 hour, Dominican Revolutionary Party President Dr Jose Francisco Pena Gomez traced Haitian-Dominican relations from the beginning of the 20th century to the present. [passage omitted]

Lawyer Victor Benoit, the new party's secretary general, asked the audience of more than 3,000 regional delegates to observe a minute of silence in memory of those who have fallen for the cause of democracy in Haiti. [passage omitted]

Benoit launched a solemn appeal to former members of dissolved organizations to rally to Konakom. [passage omitted]

New Agricultural Development Bank Created

FL2009170889 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 20 Sep 89

[Text] According to a news release from the Ministry of Economy and Finance, the government has permanently closed the National Agricultural and Industrial Development Bank [Banque Nationale de Development Agricole et Industriel, BNDAI] but promises to set up another bank that will deal especially with credit for the industrial sector.

On Monday 18 September, Economy and Finance Minister Leonce F. Thelusma installed the president and the members of the liquidation committee for the BNDAI and the National Equipment Company [Societe d'Equipment Nationale, SEN], which was recently dissolved. This is in line with the 1 August 1989 decree published in LE MONITEUR [the official gazette] on Monday 14 August.

Mr Thelusma reiterated that it was necessary to shut down BNDAI and SEN because they did nothing for Haiti. He also said the nation had to have proper credit institutions capable of giving the agro-industrial and industrial sectors a forward thrust.

For this reason, the National Agricultural Development Bank [Bank Devlopman Agrikol, BNDA] has been created. The news release from the Ministry of Economy and Finance says that a number of initiatives for setting up another industrial credit bank are currently underway.

Jamaica

Manley Against Intervention in Noriega Regime

FL2009223189 Bridgetown CANA in English 1903 GMT 20 Sep 89

[Text] Kingston, Jamaica, September 20, CANA—Jamaican Prime Minister Michael Manley says he is "totally opposed" to any military intervention in Panama.

In a speech here, Manley repeated that his government would not recognise the "corrupt government" installed by Panamanian strongman General Manuel Noriega on September 1. He was responding to criticisms in some sections of the local press on his stand on the Panama issue which was interpreted as a formal break in ties. Manley said that the Jamaican Government still maintained diplomatic relations with Panama and its citizens and Jamaicans were free to travel between both countries.

"Let me make it clear that as far as this movement is concerned, if we regard a principle as sacred above all others in politics, it is the principle of the right of a people to choose the government that they want," Manley declared in a reference to the annulment of elections in Panama when the opposition appeared to be leading in the vote count.

However, he said, the Jamaican Government would not support military intervention as a means to solving the political crisis in Panama. He also said that his government would not "accept any attempt to interfere" with the Panama Canal Treaty under which the canal reverts to Panamanian control in 1999.

The treaty was negotiated in the late 1970s between the then Panamanian leader, General Omar Torrijos, and President Jimmy Carter.

Montserrat

Island To Run Out of Food, Medicine by Weekend

FL2009203089 Bridgetown CANA in English 2258 GMT 20 Sep 89

[By Debra Ransome]

[Text] Plymouth, Montserrat, Sept 20, CANA—The Montserrat Government has started to worry about food and medical supplies as it grapples with the large-scale destruction caused by Hurricane Hugo.

Chief Minister John Osborne told CANA food supplies would last just until the end of the week. "After the end of this week, we're going to be in a lot of trouble if we don't get food in," he said, appealing to the international community for aid.

The authorities here estimate they have only one week's supply of medicine, bandages, and dressings.

Hugo this week devastated Montserrat, causing at least nine deaths and damaging or destroying most of the structures on the British colony. On Wednesday, relief workers were distributing food and setting up food centres and trying to get people into buildings which have roofs.

At the damaged Glendon Hospital—the main one here—workers were helping to feed people. Officials said they had treated a number of cases of dysentery, as well as abrasions, and some people had been trying to get lost medicines replaced by the hospital.

Osborne also reported that the hurricane took a heavy toll on agriculture, with fruit trees across the island destroyed. But Osborne said there was enough petrol and no need for rationing.

St Kitts and Nevis

First Report Dispatched on Hurricane Damage

FL2109021489 Bridgetown CANA in English 0037 GMT 21 Sep 89

[By Von Southwell (in the first news despatch out of St Kitts)]

[Text] Basseterre, St Kitts, Sept 20, CANA—Hurricane Hugo, the uninvited guest for St Kitts and Nevis' sixth independence anniversary celebrations, left at least one person dead and hundreds homeless. The hurricane, one of the strongest in the last decade, pounded the island early on Sunday, as it passed on its devastating path about 50 miles to the south of the island.

The death on St Kitts attributed to the hurricane is that of Charles Pole, 61, of Crab Hill Sandy Point who was hospitalized on Sunday morning when a wall collapsed on him while he fed his animals. He died in hospital on Tuesday.

Packing winds reaching up to 140 miles per hour, Hugo ripped off house roofs, knocked over utility poles, and uprooted century-old trees and has the nation cleaning up on the sixth anniversary of independence on Tuesday. Damage is said to be more severe in the sister island of Nevis where government buildings, including the lone Alexandra Hospital, and about 80 percent of the houses were damaged.

Prime minister Dr. Kennedy Simmonds has declared a national emergency in a broadcast using the F.M. facilities of state-owned Radio Z.I.Z. whose 345-foot-high mast was toppled by the strong winds, putting the station's A.M. service off the air.

Simmonds said he had already contacted governments and international agencies for assistance. He also appealed for calm and understanding and warned residents to stay indoors after dark. Simmonds said it is unfortunate that some people are seeking to capitalize on the disaster, as there have been some reports of looting. He said the police have made some arrests and will be maintaining their vigilance.

In Nevis, Premier Simeon Daniel said on the Voice of Nevis Radio that he has been unable to tour the island as some roads remained blocked. But what he has seen was disastrous. It is a miracle that there has been no loss of life, he said.

The control tower was knocked out of commission during the hurricane and only light aircraft relying solely on visibility were using the airport from Monday.

The island's Disaster Preparedness Committee has identified the restoration of electricity service in the densely populated Basseterre area to be a matter of top priority. An appeal has been launched for volunteers to assist the electricity department in the replanting of poles.

A member of the committee said that the local amateur radio society was on duty, keeping St Kitts in contact with the outside world, as the country remained cut off for the past two days.

Reports of the devastation caused is becoming more evident as areas cut off are becoming accessible. The clean-up and assessment campaign is now well underway with top level involvement and although an estimate of the damage will not immediately become known, it is expected to run into millions of dollars. The more than 1,300 on St Kitts made homeless are in makeshift shelters or staying with friends and relatives.

Independence anniversary celebrations, which began about a month ago, have been postponed, and Simmonds said a state service originally scheduled for Monday will be combined with a thanksgiving service at a later date.

El Salvador

Bishop Rosa Chavez Comments on Mexico Talks

PA2009182189 San Salvador Radio Cadena Sonora 1200 GMT 18 Sep 89

[Interview with San Salvador Auxiliary Bishop Msgr Gregorio Rosa Chavez by unidentified reporter; date and place not given —passages within quotation marks recorded]

[Text] [Rosa Chavez] "I believe the Mexico talks are a qualitative accomplishment in the dialogue process, because for the first time the two delegations agreed on the basic proposal. The results of the meeting can be summed up in four points:

"1. The dialogue should be a process rather than isolated meetings.
"2. The dialogue should be a speedy process.
"3. The dialogue should be a process with a calendar of events, a flexible but also strict process.
"4. The dialogue should be a process with a topic, with a specific agenda.

"I believe the agreement approved in Mexico is sufficiently firm to withstand any difficulties, and to prevent either of the parties from evading its commitments—but also flexible enough to be adapted to reality in line with the course events take over the next few months. Therefore, I believe the Mexico talks are a qualitative accomplishment because the two delegations agreed to the aforementioned four points. This is the main accomplishment of the Mexico talks. There is another significant point—the awareness that there is no room for war. It was a great to hear this statement. There is no room for war, there is room for peace."

The San Salvador auxiliary bishop also said the dialogue in Mexico City between the government and the guerrillas yielded greater results than expected by Salvadorans. He also noted that the creation of the FMLN dialogue commission was surprising.

[Rosa Chavez] "The Mexico talks yielded surprising results because we did not expect them. I think that in this regard, the official delegation received a surprise in Mexico when they learned about the FLMN proposal, and when they saw the open and conciliatory attitude of the FMLN delegation members."

[Reporter] Therefore, you believe we should prepare for peace?

[Rosa Chavez] "We should always be prepared for peace because peace is in the hearts and minds, but ends when the weapons [words indistinct]. I believe the entire country should join the peace process. This means being capable of reaching a reconciliation."

Regarding the dialogue-negotiating sessions the Alfredo Cristiani government and the FMLN guerrillas will maintain from now on, the San Salvador auxiliary bishop explained the role of the Catholic Church at the upcoming peace talks for El Salvador.

[Rosa Chavez] "This was clearly stated. When we were consulted by the two parties, we told them that since they wanted the dialogue to be institutionalized, the parties should also request the church to provide an institutional service, in other words through the Episcopal Conference. The agreement that was reached, which we proposed, is that the Episcopal Conference will decide who will represent the church at each dialogue session. I think this is a very significant accomplishment because the dialogue will not be a session between two people who like to hold talks. This will be a service the church officially offers because it renders results. Reconciliation is also part of the church duties. This is also an important step which helped to solve difficulties, because there were some positions which made it difficult to reach a reconciliation. This was the best formula for all because the two parties will appoint their delegates and the church will do the same. The church will appoint its representatives to the dialogue sessions and a church representative will prepare for each meeting."

Finally, Rosa Chavez explained that the cease-fire issue will be discussed at the upcoming meeting in San Jose, Costa Rica, on 16 and 17 October between the government and the FMLN. It will be a very difficult issue to solve. However, an attempt will be made so the various dialogue commissions present their specific proposals.

Rebel Killed, Helicopter Damaged in Clashes

PA2009222589 Paris AFP in Spanish 2008 GMT 20 Sep 89

[Text] San Salvador, 20 Sep (AFP) — A helicopter was damaged, a rebel was killed, and two others were wounded in heavy clashes in the northern sector of the country, the Salvadoran Army reported today.

The official bulletin reports that a Farabundo Marti National Liberation Front [FMLN] rebel was killed and two others were wounded today in clashes in Dulce Nombre de Maria, and Nueva Concepcion, in the northern Chalatenango Department.

The Press Committee of the Armed Forces (Coprefa) reported that the guerrilla's antiaircraft fire on 19 September damaged a U.S.- made UH-1H Air Force helicopter as it was evacuating a wounded soldier near San Jose Guayabal, 30 km north of San Salvador. The armed clashes took place amid the FMLN 10-day unilateral truce decreed by the FMLN on 13 September, within the framework of the dialogue held last week in Mexico City between the government and the insurgents.

Meanwhile, at least three villages in the Guazapa hill area, 25 km north of San Salvador, today remained without electricity due to the intense clashes which lasted until daybreak.

The Armed Forces have only admitted that a soldier has been killed in these clashes and that a helicopter has been damaged. The Army claims it has inflicted several casualties on the rebels, but the number of casualties is still unknown.

According to civilian sources in the zone, several helicopters and an airplane on 19 September and today at daybreak bombed alleged rebel positions in the foothills of Guazapa hill.

Arias Guards Killed in Traffic Accident

PA2009235089 Buenos Aires REUTER in Spanish 2240 GMT 20 Sep 89

[Excerpt] San Salvador, 20 Sep (REUTER) — Six Salvadoran national police agents died and nine others were injured in a traffic accident after they had escorted Costa Rican President Oscar Arias to the airport, military sources reported today.

The Armed Forces press office reported that a military personnel truck went off the road and fell into a 100 meter gully as it was returning to San Salvador on 19 September from the Comalapa International Airport.

The reasons for the accident were not specified.

The guards had escorted Arias to the airport after he had received an honorary degree from a local university. [passage omitted]

Honduras

Foreign Minister on Possible Contra Expulsion

PA2009200489 Hamburg DPA in Spanish 1814 GMT 20 Sep 89

[Text] Tegucigalpa, 20 Sep (DPA)—Honduras today continued its political offensive by saying that the contras must leave Honduran territory or face expulsion by international organizations.

Foreign Minister Carlos Lopez Contreras told the local press that the anti-Sandinists must leave the country within the time set by the peace agreements, which stipulate that the deadline for the voluntary demobilization is 8 December 1989.

The top Honduran foreign policymaker said that the government's policy is clear in the sense that "Honduras does not want its territory to continue to be used as a sanctuary for armed groups."

There are some 12,000 rebels currently operating in Honduras from camps located in the eastern departments (provinces) of Olancho and El Paraiso, which border Nicaragua. The rebel leaders have said that they will not allow themselves to be demobilized as long as there is no genuine democracy in their country.

Lopez Contreras explained that the forces that will be used to dislodge the contras will not be Honduran forces but an international peacekeeping force, which the Honduran Government has requested from the UN Security Council. Foreign Ministry officials have repeatedly talked about sending UN blue helmets to Honduras to take charge of the expulsion or disarming of the contras in that country.

Commentary Warns of Country's 'Lebanonization'

PA2109033389 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 18 Sep 89

[Commentary by German Allan Padget: "Is Honduras on the Way To Becoming the Lebanon of Central America?"]

[Text] A serious conflict could be brewing in Central America, affecting Honduras in particular, if the Nicaraguan counterrevolutionaries refuse to voluntarily lay down their weapons and persist in using Honduran territory for their military operations against Nicaragua. So far, the United States is supporting the idea of keeping the contras organized, contravening the agreement signed by the five Central American presidents. Additional humanitarian aid is sought at the U.S. Congress, as if foreseeing that the demobilization of that force would take longer than estimated by the Central American presidents.

It was felt that an agreement could be reached through direct talks with the contra leadership whereby they would voluntarily decide to lay down their weapons and accept the guarantees of amnesty and economic security offered to them by the Nicaraguan Government, under international supervision, before the general elections were held. Precisely one of the conditions the Sandinist government accepted was to have free, guaranteed, and democratic elections, giving the opposition equal opportunities to move about in its electoral campaign, to have access to all the news media controlled by the Sandinist National Liberation Front, and to foster a pre-elections climate where the opinions of Nicaraguans could be freely and spontaneously voiced.

However, the contra leaders are saying they will not disband until there is democracy in Nicaragua. They are not talking now of disbanding when elections are held, but when there is democracy in that country. This makes one think that if the Nicaraguan opposition fails to beat the Sandinists at the polls, the contras may interpret their electoral defeat as a signal that there is no democracy in Nicaragua, and, therefore, no grounds to disband and disarm. A serious problem is looming, and it may become a major problem. On one side we have the Tela accords to demobilize the country. On the other side we have the contra leadership's clear decision not to do so until they—not the area presidents—decide the time and conditions under which to carry out their demobilization.

Presenting the situation in this light, it would have been better to hold the talks among the governments of Honduras, Nicaragua, the United States, and the contra

leadership, and not among the area presidents. In the end, it is the contra leadership, backed by the United States, who will have the final say—not the area presidents. This morning, a radio station reported the contras are expanding their hospital installations in Yamales, El Paraiso Department, and that they are expanding and repairing several kilometers of the highways close to their camps in that area. This looks as if the contras mean to stay in Honduras a long time.

Therefore, if the International Support and Verification Commission fails to find the adequate means to enforce the Tela accords, we Hondurans may be on the threshold of the much feared Lebanonization of the country. This would mean that a foreign force, stationed in a territory, controls that territory through military means, operates from it, and grows strong in it, in an open challenge to the government of the country where that force is stationed. That force may at some point even fight to retain its installations and continue operating with full autonomy. Palestinians first arrived in Lebanon as refugees, and later as an organized force to fight Israel. Today, we know what happened to that once beautiful country. Torrents of blood have been shed in Lebanon, and it has been physically and politically destroyed. Diverse foreign forces operate in its territory as if it were a no-man's-land.

One of the things our government wishes to avoid is the use of force to disband the contras. Hondurans are loath to have their soldiers get killed or have any killing in their own territory for a cause that does not belong to the Honduran people. However, the contras' stubbornness and their decision to oppose the agreements reached by the presidents could lead to a dangerous confrontation—if the international community does not become aware of the seriousness of the situation on time, and if it does not take the proper measures to solve a conflict of tragic consequences.

What would be ideal for Honduras and for Central America would be for Nicaragua's internal situation to normalize, elections to be held, and its results to be respected, no matter what they may be. The counterrevolutionary forces should make a full return to civilian life in their country.

It is now up to the United Nations, the OAS, and the verification and support organizations created by these two institutions to determine whether or not there is democracy in Nicaragua. They should determine if there are guarantees for the free development of political activities. It is not up to the counterrevolutionary leaders to determine if there is democracy in Nicaragua, it is up to the international verification organizations. Therefore, when Commander Enrique Bermudez and other Nicaraguan leaders say they will remain organized as a belligerent force, with or without U.S. aid, they are practically leading our country to its Lebanonization, which we had already predicted. However, for our country's benefit and for its peace, we do not want those predictions to become a reality.

We Hondurans should back our government and give it all the necessary support so that the steps that are taken to solve the Central American conflict have the full support of the Honduran people. A large part of our territory, our peace, and our internal security are at stake. We must remain alert to the development of these events, because if the Tela agreements are not fulfilled the only ones who will be adversely affected will be the Honduran people. This demands our unity and our greatest concern, regardless of our election campaign which is keeping us very busy. We must avoid the Lebanonization of Honduras and we must be prepared to stop it.

Nicaragua

Assembly Official Discusses Amnesty for Contras

PA2009195789 Managua Radio Sandino in Spanish 1930 GMT 18 Sep 89

[Text] Carlos Tunnerman, president of the Human Rights Commission of the National Assembly, has denied that the government had promised to grant a general amnesty before the contras stationed in Honduras are demobilized. He said that until the contras are completely demobilized on Honduran territory, and verified by the UN gobservers, the government will not grant a general amnesty.

[Begin Tunnerman recording] According to the political pact of 4 August, there is no commitment regarding amnesty. The amnesty is contained in the Esquipulas agreements. If we study them, we can see that the general amnesty depends on the elimination of the causes that motivated the state of emergency in Nicaragua. This means that the amnesty would be linked to the demobilization of the contras, which is also included in the various agreements that Nicaragua has signed at summit meetings.

In the first place, the release of wounded or maimed prisoners should be accomplished according to Decree 1074. There is a statement by the Human Rights And Peace Commission of the National Assembly on this issue. The Assembly will study this statement and forward it to the chief executive, who will then decide how the maimed and wounded prisoners will be freed. We included 50 of these prisoners on the list—44 of them are ill—6 because of their age. We made several general recommendations, for example we said that all those prisoners who were sentenced in Esteli and Pueblo Nuevo and Nueva Guinea through administrative trials should be included in an amnesty. We also asked that all women be released according to the Law on Public Order and Security. This includes counterrevolutionary women without exception, regardless of their health or age. The possible amnesty would include all these women.

We also suggested that amnesty be expanded to include all those who have been released or are on parole. These

suggestions are contained in our statement which we delivered before the deadline of 15 September to the National Assembly

The various assembly commissions already have the bills presented by the executive according to the political agreements.

Minister Borge Denies Chamorro's Statements

PA2109002889 Panama City ACAN in Spanish 1425 GMT 20 Sep 89

[By Jose Antonio Maillo]

[Text] Managua, 20 Sep (ACAN-EFE)—Nicaraguan Interior Minister Tomas Borge has denied ever having asked permission from Violeta Chamorro, National Opposition Union [UNO] presidential candidate, to kill the murderers of her husband Pedro Joaquin Chamorro after the triumph of the Sandinist revolution in 1979.

In an exclusive interview with ACAN-EFE, Commander Borge said that the statements, made by Violeta Chamorro during her first news conference after having been elected the UNO presidential candidate, are false. The UNO consists of 14 political parties.

On 14 September, Violeta Chamorro, owner of the newspaper LA PRENSA, asserted that Borge had asked her for permission to kill her husband's murderers, to which she replied that she was no murderer.

Minister Borge said: "What I told Violeta on that occasion was that her husband's murderers deserved death, but I never asked her for permission to kill them. She took my words out of context."

Borge added: "I am not so foolish and dim-witted as to ask that lady for such a thing. I was simply furious with Silvio Pena (who was the brains behind the murder of Pedro Joaquin Chamorro and was sentenced to 30 years in prison)."

Minister Borge, one of the nine commanders who make up the Sandinist National Liberation Front [FSLN] National Directorate, said that when he questioned Silvio Pena "I felt so much indignation that I slapped his face. That was the only time I acted violently with a prisoner."

During the same news conference, Violeta Chamorro also said that "neither the Somozists nor the Sandinists have completely cleared up my husband's murder."

Borge stated: "After having conducted various investigations, we concluded that Pedro Joaquin Chamorro's murder was not ordered by Anastacio Somoza Debayle (Nicaraguan president overthrown in 1979 by the Sandinists), but by his son Anastacio Somoza Portocarrero," known as the "Chiguin" and chief of the Somozist elite troops.

Borge disagreed with the statements made by Violeta Chamorro that if it had not been for her husband's murder "those kids (the Sandinists) would still be up in the mountains, because after that murder everybody closed ranks against Somozism."

Borge stressed: "It is true that Pedro Joaquin Chamorro's murder brought the people closer together, but it was not as much of a determining factor in the Sandinist triumph as the murder of U.S. ABC network reporter Bill Stewart was."

Borge said: "What Violeta does not say is that when Pedro Joaquin Chamorro was murdered I was in jail. I was isolated in a cell and I used my own blood to write a message of solidarity to the Chamorro family."

Borge, the only survivor of the founders of the FSLN, added: "I hope that there are no personal quarrels and no more slanders like this one during the election campaign (that will end with the 25 February 1990 presidential elections)."

As for the possibility of creating a "government of national unity" after the 1990 elections, regardless of the election results, Borge said that the possibility has not been discussed. He asserted that it is not true that the Sandinists have already offered three ministries to the opposition, as opposition leaders have said.

Borge stated: "The FSLN will win the elections with friendly and unfriendly observers from all over the world, and we will not be forced to share the government."

According to the Sandinist minister, "the elections will be a struggle between freedom and slavery, between revolution and imperialism, and I do not have the least doubt about our victory."

Tomas Borge, 59, along with Silvio Mayorga and Carlos Fonsenca, founded the FSLN in 1961. Borge was also a correspondent for the newspaper LA PRENSA in the city of Leon in late 1960 when Pedro Joaquin Chamorro was the newspaper's chief editor.

Bayardo Arce Discusses FSLN Candidates

PA2009230489 Managua BARRICADA in Spanish 14 Sep 89 pp 1,3

[Interview with Commander Bayardo Arce, assistant coordinator of the National Executive Commission of the Sandinist National Liberation Front (FSLN), by Sofia Montenegro in Managua—date not given]

[Text] [Montenegro] What is the current status of the FSLN's consultations to select its candidates?

[Arce] We have three consultation and decision-making levels, because we will select candidates for the executive branch, the legislative branch, and the municipal councils. The last level represents the power closest to our masses, meaning that it represents the people's specific

expectations in each place. The consultation and decision-making levels are also close to the masses because they interpret the people's expectations as faithfully as possible in conjunction with the revolution's interests.

On the other hand, the legislative branch candidates represent a national expression which has more political connotations, because they definitely influence our juridical order, and the Assembly is one of the country's most important forums for debating ideas. The executive branch candidate is mainly a political choice, because he must guarantee that a specific program is carried out.

Consequently, we oriented our regional organizations to carry out a consultation process with the FSLN cadres and with other groups which are not part of our organization but have been involved in different revolutionary tasks. We wanted to learn what the people expect from their candidates at every level, taking into consideration their decision-making power and the importance of each level.

Our cadres have gone from house to house, gathering the opinions of each person on the candidates to each post. They did not use an inductive method, because it was not a matter of asking what they thought about John or Peter, but of asking who they thought could better defend their interests in each case.

We have not supported internal polls either. We do not conduct polls to influence anyone, but as an instrument to guide our work. This is how the organizing commission drafted the first proposal to the national directorate. The document showed what characteristics should prevail among the people who would comprise the lists of candidates. The lists were returned to the regional organizations so that they would make new adjustments. The organizations are now discussing the different candidates at municipal level. We will collect those lists on 23 September during a meeting of party secretaries from all over the country. The lists will be submitted to the Sandinist Assembly on 24 September, to prepare for the 25 September national convention with the party's rank and file, where we will choose the candidates that will definitely represent the FSLN.

We have not held a meeting in which a small group of persons, 14 or 15, gathered to choose candidates. We have seen conventions in which 100 delegates gather to select candidates. However, we have carried out a fan-shaped process: First we gathered some ideas that were organized by central organizations (first in the regional organizations and then at the party's organization commission). These ideas were then returned to the regional organizations with new contributions and suggestions, and these in turn were sent back to the municipalities, which discussed the new names and ideas. Last of all we have the convention, which, I believe, will include not less than 600 delegates from all the sectors represented in the FSLN, to attain a much clearer and representative choice of candidates.

Everyone knows that a pre-convention, presided over by Commander Ortega, was held. At that time, a first "look-over" was given to the lists, and returned for the final touches. We realized that, in addition to the members of the FSLN, we must include on those lists people who are not members of the party but who identify themselves with the revolution, people who have participated in the effort for the defense of our sovereignty and independence.

[Montenegro] Would you then describe the FSLN ticket as a national unity ticket?

[Arce] It is more than that, because national unity would represent an attempt to keep a balance. I would say that the ticket is broad and unitarian. It is of a revolutionary nature.

[Montenegro] What can you tell us about the political platform?

[Arce] We feel that the revolutionary transformation plan aimed at benefiting the people has been affected by the impact of the war and the economic crisis. We have been forced to set some plans aside and slow down the pace of others because the aggression has cost us more than $15 billion in losses.

We think that perhaps with some slight changes, our plan can continue to be current and all we would have to do is guarantee the continuity of the plan, taking into consideration the material basis and the political conditions we feel we can count on.

We hope to promote a process of changes after the elections, but it is not the same to promote a process of changes during a war as it is during peacetime. It is not a matter of drafting a historic-strategic platform, but a platform of what we can do in the next 6-year period. As a government, we have also started a process of consultations, asking all organizations and social groups for their ideas about tasks we must undertake.

The commission that is working on the FSLN platform, in addition to gathering these opinions from the Nicaraguan society, is also in direct contact with FSLN cadres from the various regions. It has been meeting with mass organizations and state cadres to listen to the ideas which they, as leaders in certain socioeconomic fields, have been putting into practice, and it has been asking for their views of what can be accomplished in the next 6 years.

The electoral platform will be drafted from all these ideas, and it will be discussed at the party convention on 25 September when the ultimate decision will be made.

[Montenegro] What is the direction of this platform?

[Arce] We are striving to achieve the goal of our original platform. We have struggled against the dictatorship because we wanted to end the injustice to which our people had been historically subjected. We seek to do away with illiteracy and infant mortality and to solve the problems of the landless peasants, homeless workers, unemployed, and youths without any opportunity. We understand that in order to achieve these social benefits

for the people we must have the material base that will permit us to finance the economic cost implied by any social program. Hence, we are convinced that the priority effort lies in the economic area. We must stabilize our economic situation in such a way that the appropriate conditions will be created to recover the production levels and boost national production. In this way we can obtain the economic means by which to carry out the social projects.

We plan to increase our economic efforts through a greater participation of the various sectors in improving our economic means. We believe that it is also important to promote and increase democracy in the socioeconomic workings of the country through the municipal governments. This should lead to an even greater decentralization of state activities. In this manner, the combined efficiency of the economic effort with the participative policy and democratization of efforts through the municipal governments should permit us to advance more quickly to face the problems left us by Somozism.

[Montenegro] Will the municipal elections have a direct effect on the people?

[Arce] Look, if the central government wants to solve all the problems, improve the living conditions, give maintenance to the schools—and if you add up all the budgets for this—you end up with an unthinkable macroeconomic figure within a program of economic adjustments. However, community efforts to solve the problems have helped overcome the situation; they have proved that we were right when we sponsored a municipal autonomy within the constitution. The community is capable of solving problems which directly affect it without using intermediaries. This usually involves a procedure which starts at the masses and goes up to the central government, and then the reply is supposed to come back down the government structure. However, the municipal government avoids all that.

One of our current political tasks is to acquaint the people with the instruments that will be forged with the new elections. These elections will be different from the ones we held in 1984, because—with a broad participation, equal opportunities, and international observers so that there is no excuse to continue the war—peace is not the only thing that will be at stake. It will also be the first time that the municipalities have autonomy.

In other words, the municipalities will be organizations with their own status, and they will be able to establish relations among themselves. In fact, they will be able to establish contacts abroad on their own in order to solve their problems. They will be "little local governments" with the authority to solve a series of problems.

Therefore, the people must learn about this and decide for whom they will vote, knowing that the persons who will represent them at the municipal council must be hard-working, honest persons who are interested in solving the community's problems. The people cannot vote without realizing that their own welfare is at stake. The people must know this to guarantee that the efforts exerted in the elections will allow us to achieve peace and perfect the people's participation and the government's role.

[Montenegro] What is your opinion of the National Opposition Union's ticket and its internal situation?

[Arce] Well, this is one of the nine tickets with which we will have to contend. I see nothing extraordinary about it. The only significant thing is that we will contend with nine political parties in the elections.

[Montenegro] What about the FSLN ticket?

[Arce] All I can say is that it will be a representative FSLN ticket. That is an important element to take into consideration in these elections. I believe that, amid the problems that have afflicted the country throughout these years, the important thing is for the people to realize that the party that wins the elections should be a party that guarantees unity, and a single line of action. The only party that can guarantee that in this country is the FSLN, because we are a monolithic force gathered around a political-ideological unity. We will select candidates that represent Sandinism; that is, people's unity. They will be comrades who have proved throughout the years, in both good times and bad, that they work with and stand by the people. [Montenegro] What about the people's rallying cry for the elections?

[Arce] We will defeat the opposition with 70 percent of the votes. Then they will clearly understand that this is a Sandinist nation.

FSLN Official on UNO's Chamorro, Elections

PA2109013089 Managua Radio Sandino in Spanish 1930 GMT 20 Sep 89

[Interview with Engineer Dionisio Marenco, head of the Agitation and Propaganda Department of the Sandinist National Liberation Front, by unidentified reporter on 20 September in Managua—recorded]

[Text] [Marenco] Commander Bayardo Arce, assistant coordinator of the National Executive Commission of the Sandinist National Liberation Front [FSLN], commented last night on the way we have been assessing the opinions among the people and the FSLN ranks. We have found a very favorable reaction to Daniel Ortega in terms of his popularity and credibility among the people, as well as in terms of recognition for his work. All this creates a favorable opinion to consider Comrade Daniel as our party's presidential candidate or hopeful. This matter will be confirmed, or rather will be voted on at the people's convention to be held over the weekend. I can announce the convention was moved ahead 1 day, from 25 to 24 September.

At around noon on 25 September, we will register our candidate. We will go to the Supreme Electoral Council with a large motorcade to present our candidates for president, vice president, and deputies.

[Reporter] How does the FSLN feel regarding all the dollars Violeta is asking for in the United States?

[Marenco] Ms Barrios, a candidate of a minor sector of the opposition, went to the United States seeking money and support. We do not exactly know why her campaign is being conducted in the United States. The campaign is in Nicaragua. We have often said that U.S. involvement has been lethal, since they financed a war to attack our people and caused many of the problems we are now experiencing. It seems old habits die hard, so the opposition continues asking for funds to keep the specter of U.S. aggression and intervention alive. We think this is a national campaign. It is here where things will be settled, not in the United States. [Reporter] UNO [National Opposition Union] has asked for a new national dialogue. How does the FSLN feel about that?

[Marenco] UNO is saying we have not abided by our agreements and that it wants to continue the talks. I think talks can continue. We agreed at one time to keep in permanent contact. We keep in permanent and flowing contact with just about all of the country's political parties in a—let us say—nonpublic manner. I do not think there is any problem in discussing different issues of general interest. We think we have been complying, or rather the Nicaraguan government has been complying, with the agreements made. We think the opposition has not kept the commitments it made. The numerous commitments apply to both sides. Supporting the contra demobilization is an indispensible requirement. Yet the opposition remains silent on this important issue. I remember well how we talked about making concessions on both sides. This is not a matter of just making demands or cornering the government, because all of the country's social forces must cooperate to achieve peace, and to hold the elections in the best climate possible so as to reaffirm the FSLN victory—the FSLN will win the next elections—and do away once and for all with the Reagan administration's warmongering policies.

[Reporter] What can you tell us about the radio program that will begin tomorrow on Radio Sandino?

[Marenco] Tomorrow, on 21 September, we will begin the FSLN program called: "The Stone Is in the Air, the FSLN Is on the Campaign Trail" ["La Piedra en el aire, el Frente Sandinista en Campana"]. Our plan is to broadcast information to guide our militants, sympathizers, activists, and all Nicaraguans along the road of the electoral process. We should like to take advantage of this opportunity granted by "Radio Reports" newscast to invite all of its listeners to tune us in tomorrow at 1800. At first a group of comrades will be on the air from 1800 to 1830 on Mondays and Thursdays only, but starting in December we will be broadcasting daily.

Panama

Opposition Leader Endara Announces Hunger Strike

PA2009164889 Panama City Cadena Exitosa in Spanish 1602 GMT 20 Sep 89

[Statement by Guillermo Endara, former presidential candidate of the Democratic Civic Opposition Alliance, on 20 September; place not given—read by announcer]

[Text] I have a message. As a disciple of Dr Arnulfo Arias Madrid, a servant of Panama, I have learned that anyone wanting to govern this country must deeply love the Panamanian people and must be ready to endure sacrifices and suffering.

The Panamanian people, exercising their right of self-determination, elected their government leaders for the 1989-94 period. The fact that I was elected president of the Republic is a source of personal pride and satisfaction for me, but this is not important; what is important is that through this election I have been committed to make, for the benefit of the Panamanian people I love, all the sacrifices that circumstances may impose on me.

The Panamanians, who have been at my side in happy and sad moments, have my unbending loyalty and perseverance in the struggle for democracy, justice, and liberty.

This is why right now I declare myself on an indefinite hunger strike until the Not Even a Penny More campaign is known and backed by the Panamanian people. I am doing it as a personal sacrifice for the sake of a people who hunger for justice, democracy, and liberty.

During this strike, I will follow the guidelines set by Gandhi on the occasion of his November 1925 hunger strike. Therefore, I will eat no food. I will only drink water and take medicine prescribed by my doctor, and the eucharistic bread, if a priest can give it to me here.

Labor's Siero Denies Differences With Government

PA2109005289 Panama City ACAN in Spanish 2112 GMT 20 Sep 89

[Text] Panama City, 20 Sep (ACAN-EFE)—Progovernment Panamanian politician Ramon Siero, brother-in-law of General Manuel Antonio Noriega, has denied reports of his alleged differences with the regime that have been circulating in the past 10 days in the wake of his conspicuous absence at public functions. Siero, secretary general of the Labor Party, explained he was absent because he was "visiting friends and working on private business." Noriega's brother-in-law had not been seen in public since 2 weeks ago, when he described as a "coup d'etat" the General State Council's appointment of Francisco Rodriguez as president on 31 August.

Comments on Desire for Dialogue

PA2109034889 Panama City Cadena Exitosa in Spanish 1700 GMT 20 Sep 89

[Report by Maribel del Carmen Saldana]

[Text] During a meeting that concluded a few minutes ago, Ramon Sieiro, secretary general of the Panamanian Labor Party [PALA], said that his party will continue to be loyal to its principles and guidelines. Following is an excerpt of Sieiro's statements:

[Begin recording] For a long time PALA has been advocating dialogue, which is nothing but the reaffirmation of our principles of reconciliation and national understanding. Our principles are based on peace and social harmony. Whether all Panamanians share the same political ideas or not, peace and harmony should enable us to solve our disagreements peacefully, respectfully, wisely, and civilly.

Our desire for dialogue, the factors of which include our civility, our respect for all men and their ideas, and our moderation before the current situation, upsets and bothers the country's radical and extremist groups. We call on those groups to reflect on the concept of homeland. Although the eternal and fortunately isolated voices of people moved by intolerance, radicalism, and sectarianism now offend us, we will continue forward. We will continue working for democracy, social justice, and national liberation. PALA will continue walking along its path and in accordance with its own style. We will continue using our language. Above all, PALA will go on without hatred and without trying to further increase division within the Panamanian community.

For that reason, we rejected and will continue to reject insults, slander, and violence as instruments of pressure. Those instruments should be replaced by a constructive understanding among Panamanians. Only in that way will we exercise an authentic representative democracy of far-reaching social and human achievements. Within a representative democracy, we will be able to encourage and grant confidence and guarantees to local and foreign private investors. That investment will fulfill its social task of creating jobs, which would quickly reduce unemployment, hunger, and poverty.

We hope Panamanians will seek understanding among all sectors and find inspiration in the authentic Christian spirit that exists in the souls of this generous people.

We firmly believe in the participation of all members of the Panamanian community in the attainment of a true national reconciliation. If you walk along the path of national reconciliation, you will find all of the country's PALA members there.

The members of PALA are willing to make all the necessary sacrifices, including personal sacrifices, as long as all the groups existing in the country have the opportunity to be heard. It is very important to take their opinions into account in view of the country's current situation. [end recording]

Columnist on Selection of Legislative Commission

PA2009183889 Panama City CRITICA in Spanish 15 Sep 89 p 4

["Political Arena" column by Victor A. Young and Baltazar Renan Aizpurua: "The Legislative Commission and the Rules of the Game"]

[Text] Fifteen days after the decision by the General State Council meeting, all indications are that the appointment of the provisional president and vice president was right because, far from creating the turmoil some had ominously predicted, it created positive expectations, that is, hopes for a solution.

Moreover, even though the appointment of a cabinet and directors of autonomous agencies is a political-administrative function on which our society always passes strict judgment—and the appointment never seems to please anybody, regardless of who the appointees are—the new executive branch seems to have passed this hurdle without hurting its image.

Regardless of how positive the foregoing may look and although the explanation for the popularity lies in the solutions, the new government will face a harsh political test when it appoints the 41 members of the Legislative Commission that has been announced. It is an irony that the very agreement enlightening the new republic also contains an obstacle that, if not wisely overcome, may grievously tarnish the image that has been projected and the new government's chances of functioning efficiently.

Like many others, we do not know what reasoning or what convoluted paths led to the decision about the already famous figure of 41. What we do know is that this figure does not coincide with our opinion that during this period we need a strong and agile government matched by a legislative branch similar to the one embodied in the 1972 constitution, that is, a complementary body to give expeditious support to the executive branch's efforts.

Contrary to this opinion, some self-seeking people are claiming the legislative branch is and will always be the state's foremost branch, which implies the possibility that this branch will become a tool in a political power struggle with the executive branch and not a branch that works in harmony with the two other state branches—the way it should. We cannot delude ourselves: The incumbent provisional government is not intended to nor should seek to imitate bourgeois democratic methods. Its task is to create the conditions to make true democracy viable and possible.

Therefore, and in order to kill any damaging speculation that the new commission will be a carbon copy of the

now defunct Legislative Assembly and its vexing perquisites and privileges, it is imperative that the State Council publicly define the concept behind it and the rules of the game under which the new commission will operate. Then it can appoint the new commissioners.

Finally, it is important that all those hoping to become legislators realize that the country is not in a position to feed a pack of parasites; that our people expect them to endure the same sacrifices they are enduring because of the Yankee aggression; that the people want to see in the Legislative Commission persons who are talented and intelligent enough to enact wise laws and understand the country's situation; and that even if these persons are appointed by the State Council, the Panamanian people are prepared to revoke their mandate if they go to the Justo Arosemena Palace [Panamanian legislative palace] to look ridiculous and to profit like the old oligarchic deputies and the bloodsucking and traitorous legislators of the last legislative period. How many of these aspiring legislators can present a public certificate guaranteeing they enjoy credibility among the Panamanian people?

Columnist Lists Conditions for New Elections

PA2009195689 Panama City CRITICA in Spanish 18 Sep 89 p 9

["Hardline" column by Alberto Barrera: "There Will Be Elections When the U.S. Takes its Hands Off Panama"]

[Text] We are totally identified with the nationalist and patriotic stance that Panama cannot and should not plan an electoral process until the U.S. Government stops its economic and psychological aggression and its campaign of disinformation against our country.

We feel we cannot think about elections until the provisional government ensures compliance with the following 10 points:

1. The money the U.S. Government has illegally retained, annuities from the canal operation, should be returned.

2. Bush should stop financing seditious groups that incite violence to disrupt the peace and tranquillity that prevails in Panama.

3. Cessation of combat planes' overflights at low altitude and the deployment of armored vehicles in Panamanian towns.

4. The return to the country of origin of the U.S. Southern Command troops and military equipment, which disrespect and violate our territorial integrity.

5. Compensation to Panama for the damage caused by aircraft to the potable water plant in Chilibre.

6. Compensation to families of Panamanians who have died as a result of explosive devices that U.S. soldiers have irresponsibly and criminally left in the towns of Arraijan and Escobal.

7. Nonintervention in our domestic affairs and discontinuation of the disrespect, audacity, and impudence of trying to decide who should be the president of the Republic of Panama; ending the persecution and preconceived and manipulated judging of General Noriega through the participation of convicted drug traffickers and turncoat Panamanians who have sold themselves to the head of the White House for a bowl of beans.

8. Recognition and acceptance of the decisions announced by our tribunals.

9. Recognition of the recently appointed administrator of the Panama Canal Commission, Tomas Gabriel Altamirano Duque.

10. Respect for the Torrijos-Carter treaties in all its parts.

Only when these 10 requirements are met and the United States takes its hands off Panama, will we be able—within the necessary climate of harmony—to lay the foundations for presidential elections with the participation of patriotic Panamanians who are struggling with dignity to forge the new republic through hard work and honesty.

Official on U.S. Army Proposal for Air Security

PA2109005089 Panama City Telemetro Television in Spanish 2327 GMT 20 Sep 89

[Text] The Technical Subdirectorate of the Civil Aeronautics Board issued a communique this afternoon which is signed by Captain Miguel von Seidletz, the technical general subdirector. It refers to the report that U.S. Army officers have proposed the creation of a joint subcommission to control air security in Panama. The Civil Aeronautics Board states that it supports any measure undertaken to protect the normal development of U.S. military aircraft operations. However, it wishes to clarify that control and security of the sovereign airspace of the Republic of Panama and of the flight information sector fall within the purview of the Civil Aeronautics Board, according to the air navigation plan of the International Civil Aviation Organization [ICAO]. The creation of a joint subcommission in no way would control air security in our country.

For that reason, it should be understood that a proposed subcommission must be based on the coordination that must be undertaken for the operation of U.S. military aircraft, as stated in the Torrijos-Carter treaties. The Panamanian side feels that this coordination was interrupted by the United States, thus creating a number of anomalies that jeopardize the circulation of civilian and commercial flights. This situation gave rise to the charges Panama brought before the ICAO council concerning violations of the air traffic regulations.

The Civil Aeronautics Board feels that any undertaking to direct the operations of military aircraft contributes to the normal development of our airspace and flight information within the appropriate organization, which is the

Combined Board. A reaction from the U.S. counterpart of the Civil Aeronautics Board is expected regarding the charges brought before the ICAO.

Banking Official Blames U.S. for 'Recession'

PA2009144989 Panama City Domestic Service in Spanish 1645 GMT 19 Sep 89

[Text] Mario de Diego, executive director of the Panama National Banking Commission, today told participants at the 49th meeting of Latin American and Spanish central banks, which began yesterday in Cancun, Mexico, that Panama is a country that is being attacked economically and devastated by the United States. De Diego said the U.S. Government's unilateral decision to withhold approximately $400 million of Panamanian funds and to forbid U.S. companies from paying taxes to the Panamanian Government has created serious problems for the country. Mario de Diego added that the local banks have restrictions on their savings and time deposits because of the U.S. aggression against Panama. De Diego added that as a result of this aggression, the Panamanian economy is experiencing an acute recession reflected in a steep drop in the 1988 Gross National Product, a situation mostly likely to be repeated in 1989.

After characterizing Panama's commercial dependency on the United States as a mistake, De Diego said the Panamanian Government is currently carrying out trade with nations throughout the world.

Chase Manhattan Freezes Regime Supporters' Funds

PA2109035889 Hamburg DPA in Spanish 0114 GMT 21 Sep 89

[Text] Panama City, 20 Sep (DPA)—The Chase Manhattan Bank branch in Panama has frozen the funds of Panamanian citizens linked to the regime of General Manuel Antonio Noriega, who appear on a list issued by the U.S. Embassy in Panama City.

This was announced by Rene Bultron, former minister of public works in the administration of Manuel Solis Palma. Bultron was advised by the U.S. bank that he cannot continue to make his international transactions in that bank, because the Bush administration has drafted a list banning commercial transactions with persons who appear on the list.

Bultron also explained that the Chase Manhattan Bank branch informed him that it had adopted this decision in response to instructions from its main branch in New York.

"They have closed our bank accounts there, which we have maintained for many years. This is unconstitutional and unprecedented," the former minister added.

Bultron stated that the National Banking Commission, a state organization which regulates the operation of 120 banks in Panama, should end the practice being followed by the Chase Manhattan Bank.

On 31 August the Bush administration issued a list of 150 Panamanians who cannot engage in commercial transactions with U.S. entities.

Number of People at Poverty Level Increases

PA2009154589 Panama City CRITICA in Spanish 16 Sep 89 pp 1, 14

[Text] Owing to the critical economic situation the country is experiencing as a result of the U.S. Government aggression, it has been found that 40 [number as published] percent of the Panamanian population is poverty stricken. Rosa Elena de la Cruz, director of the Social Planning unit of the Planning and Economic Policy Ministry [MIPPE], made this statement to the National Information System.

De la Cruz made these remarks before a group of MIPPE officials belonging to the CODEPADI [Committee for the Defense of the Fatherland and Dignity]. She added that according to studies conducted by her office in cooperation with other public entities, the country has experienced a significant increase in the number of people at the poverty level, which on a national basis rose from 11.8 percent in 1987 to its current level of 16 percent. The metropolitan areas have been the most adversely affected; the number of city dwellers at the poverty level rose from 14 to 21 percent.

The MIPPE official said 150,000 persons have been added to the unemployment rolls since 1987, which means 40 percent of the Panamanian population is poverty stricken. [sentence as published]

The official noted that despite this situation, the national government has continued to seek adequate solutions to the poverty problem and its ensuing consequences. Thus, the country managed to increase food programs through family and community vegetable gardens and free fairs in the midst of the crisis. In addition, the UN Administration Council donated 2 million balboas to provide health-care assistance to low-income areas for mothers, infants, teenagers, and women.

In conclusion, Rosa Elena de la Cruz said one of the government's actions has been to register Panama in the UN survey on homes to help provide assistance to the human resources sector, which has been the hardest hit.

Commerce Ministry Views Ways To Enliven Economy

PA2009235289 Panama City LA ESTRELLA DE PANAMA in Spanish 20 Sep 89 pp 1A, 2B

[Article by Hermes Sucre Serrano]

[Text] The national government is going to start new actions in the industrial and commercial sectors to face the increased economic sanctions by the United States. It will also find ways to set the bases for the country to prosper. This was learned after a meeting held yesterday at the Commerce and Industries Ministry.

Gustavo Gonzalez, minister of planning and economic policy, and Elmo Martinez Blanco, minister of commerce and industry, met to discuss a series of projects that will be implemented soon to revitalize the government's economic functions.

Among the projects presented to Minister Gustavo Gonzalez are the following: amending the law on tax credit certificates, changing import tariffs, creating an Institute of Fisheries Development, making changes in the Code of Mineral Resources, and regulating concessions in the shrimp industry.

Gonzalez said that the U.S. economic sanctions against Panama will worsen, and that is why President Francisco Rodriguez has asked that a plan of action be prepared to enable the country to continue on its course.

Meanwhile, Elmo Martinez Blanco, minister of commerce and industry, and Azael Purcait, vice minister of commerce and industry, along with the ministry's national directors, explained the need to adapt the economic laws to the country's reality and the difficult times caused by the U.S. aggression.

The ministry officials explained that a bill will be drafted to amend Law 108 of 1975, which created the tax credit certificate as an instrument to promote non-traditional exports. The amendment to this law should include the establishment of a maximum period during which non-traditional products could benefit from this law.

A bill modifying several import duties will also be presented to the executive to try to transform Panama into a regional shopping center.

The director of marine resources said that a bill is being drafted to create a Fisheries Development Institute as a decentralized agency. This institute would operate with the human and budgetary resources of the Fisheries Directorate of the Agricultural Development Ministry and the Directorate of Marine Resources of the Commerce and Industries Ministry. If these resources are not used within the established parameters, they will be withdrawn.

The Commerce Ministry also recommended a review of the Code of Mineral Resources in order to adapt it to the development of the small- and medium-scale mining industries.

Minister Martinez Blanco said that efforts will be increased to open new markets for national products on the European and American Continents, as well as in other areas. Contacts will also be made with foreign investors to try to build a new oil pipeline in Panama.

Ministers Martinez Blanco and Gonzalez agreed to continue evaluating the new actions, thus following the executive's instructions to make innovations to counteract the aggression and move the government machinery and the country's economy.

Doctors Report 70-Percent Cut in Medical Services

PA2009200789 Panama City Cadena Exitosa in Spanish 1700 GMT 18 Sep 89

[Interview with Dr Carlos Abadia and Dr Leticia Rodriguez of the Social Security Institute by Carlos Anel Cordero; date not given—recorded]

[Text] [Cordero] Dr Carlos Abadia, member of the Board of Directors of the Association of Doctors, Dentists, and Related Professionals of the Social Security Institute, AMOACCS, has told La Gran Cadena Exitosa that medical services being provided at the Social Security Institute [CSS] have declined by 70 percent. The professional capabilities of the doctors have nothing to do with the reduction in services.

[Abadia] CSS medical services continue to deteriorate. Elective surgical procedures have been suspended for 4 weeks. There is a lack of basic medical supplies, such as antibiotics, erithromycin, ampicillin, and laboratory materials that are essential for doing blood tests. This lack of supplies affects the doctors' ability to provide patients with the necessary care. Instead of finding solutions for our patients' problems, we are finding even more problems.

[Cordero] Dr Abadia, in view of all these problems, do you think you are providing your patients with adequate medical care?

[Abadia] Actually, we are providing only half of the services we should, and this is not the doctors' fault. We want to make that very clear. For many years—and not for just 2 years—we have been pointing out deficiencies in the administration of the CSS. This has led us to this unfortunate situation for all those making their regular CSS payments.

We would like to take this opportunity to make two points clear:

First, the CSS has been receiving regular payments from the U.S. Government employees, so the excuse that the services have been reduced for that reason is not valid.

Second, CSS Director Dr Sanchez Cardenas told a television reporter about 10 days ago that the CSS had not received about $46 million because of the high unemployment. I would like to explain what that figure means. Forty-six million dollars is only 10 percent of the overall CSS budget. That includes medicines, workmen's compensation, pension fund, and maternity fund, yet the services provided by the CSS have dropped by over 70 percent. We cannot explain why, if the CSS no longer receives 10 percent of its budget, it has cut services by over 70 percent.

[Cordero] Meanwhile, Dr Leticia Rodriguez, AMOACCS secretary of defense, referred to the number of surgical procedures performed daily at the Metropolitan Hospital Complex.

[Rodriguez] Before, when there was a normal supply of material and instruments at the CSS, we used to perform between 100 to 150 elective surgical procedures every day in the Metropolitan Hospital Complex's 18 operating rooms. Now we do not perform even 20 operations per day.

[Cordero] Dr Rodriguez, with all the problems faced by the CSS, have you observed fewer patients seeking medical attention?

[Rodriguez] There was a very modest reduction in the number of patients some months ago. At this time, however, the number of patients is normal. However, as Dr Abadia mentioned, what is not normal is the type of service we are providing. Whereas before we had the instruments to make an adequate diagnosis and to provide adequate treatment for the benefit of all patients, today we have to use all of our knowledge and possible resources to make a clinical diagnosis. We cannot provide adequate treatment because of the lack of X-rays plates, laboratory materials, and medications. Some of the clinics do not even have containers in which to put the medicine, especially cough syrups.

Colon Trade Zone Activity Said 'Encouraging'

PA2109043389 Panama City LA ESTRELLA DE PANAMA in Spanish 18 Sep 89 pp 1, B-2

[Text] The 2d quarter of the year is over, and trading activities in the Colon Free Zone are still maintaining a pattern that is encouraging for businessmen, workers, and the country in general.

In August, commercial transactions in the Colon Free Zone amounted to 399.1 million balboas—204.7 million in imports and 194.4 million in reexported products.

The fact that the August imports represent 51.2 percent of the month's trading operations means that there has been a reversal of the pattern of reexport operations having a higher percentage than imports.

If the marketing level were low, the reason for such a situation could be that there is a critical situation in which "purchases by businessmen are higher than sales." However, this is not the case. The marketing level is enviable in comparison with other months and other periods. Only on rare occasions have trading activities in the Colon Free Zone been able to reach or go above the 400-million balboas mark, especially in the month of August, which traditionally has represented approximately 8.4 percent of the annual commercial trade. In some years the 400 million balboa commercial trade level has only been reached in the last quarter.

This tells us that the confidence of businessmen is growing, since if "they buy more it is because they expect to sell more." It means that businesses in the Colon Free Zone are conducting successful commercial operations. This pattern logically stabilizes employment levels, as well as all the economic activities that derive from the international commerce taking place in this commercial zone.

The commercial trade level reached 399.1 million balboas in August 1989, which means that trading activity was 18 percent higher than that in August 1988. Trading transactions in August 1987 amounted to only 326.5 million balboas, but so far 1987 is the Free Zone's best year in overall trading activities.

Trading totals in August 1989 were 72.6 million balboas higher than in 1987, and 60.8 million balboas higher than in 1988.

Commercial activities during the first 8 months of the year amounted to 2.982 billion balboas. This is 21.8 percent higher than the 1988 figures for the first 8 months, and 9.62 percent higher than the 1987 figures for the same period.

So far this year imports amount to 1,465,900,000 balboas or 49.1 percent of the total transactions, and reexports total 1,516,500,000 or 50.9 percent of all transactions.

The cargo handled in August 1989 weighed 45,300 metric tons, which is 4,100 metric tons higher than in August 1988, which is a 10-percent increase. The cargo handled in August 1989 weighed 6,500 metric tons more than the cargo handled in August 1987, an approximately 16.7-percent weight increase.

The imported cargo handled in August 1989 weighed 25,200 metric tons, and the reexported cargo 20,100 metric tons. The marketed cargo that has been handled so far this year weighed 321,700 metric tons, of which 171,600 metric tons represent imported cargo and 150,100 reexported goods.

The total marketed cargo handled during this 1989 period was 17.7 percent higher and weighed 48,200 metric tons more than the marketed cargo handled in 1988 during the same period. It was 4.3 percent higher and weighed 13,500 metric tons more than the cargo handled in 1987 during the same period.

Handled cargo does not represent the total cargo, because it involves only imports and reexports and does not take into account internal freight movements.

These two components of trade registered significant growth in comparison to levels attained in August 1988. Imports reached 204.7 million balboas, that is, about 35.4 million more balboas or 20.9 percent more than in August 1988, and reexports grew by 25.4 million balboas or 15 percent.

It was already said that imports represent 49.1 percent and reexports 50.9 percent of total trading. The trade balance is not only positive but also economically satisfactory. The difference between imports and reexports is only 3.45 percent.

This is important. In our 1988 year-end report, we noted that one of the factors that caused a decrease in trading was a reduction in imports that affected reexports and, in turn, also total trade. In other words, in 1988 there was less sold because there was less purchased. In 1988, reexports exceeded imports by 15 percent; however, both components of trade registered decreases that caused an overall drop in trade of 8.5 percent.

This relationship between imports and reexports tends to return to normalcy when trade increases.

The year 1989 is the last of the 80's. All signs seem to indicate that the last year of this decade will be the best one in the entire history of the Colon Free Zone. The current record was set in 1987 when trading reached 4,330,100,000 balboas, of which 2,044,300,000 corresponded to imports and 2,285,800,000 to reexports.

In the first 8 months of 1989 alone, trading at the Colon Free Zone has already reached 2,982,400,000 balboas.

This means that there is an absolute growth of about 533.5 million balboas in comparison to the first 8 months of 1988 and about 261.8 million in comparison to the same period in 1987.

Confidence that companies operating in the Colon Free Zone will attain their highest levels of trading in free zone history is based on simple mathematical analysis, presented in the following hypotheses:

First Hypothesis

Should the internal and external factors that influence the behavior of trading remain the same for the rest of the year, trading will reach the levels registered during the last 4 months of 1988 and trading for 1989 will reach 4,496,300,000 balboas. The approximately 533.5 million balboas' difference in comparison to 1988 would be maintained and there would be a 13.4 percent increase over 1988.

Second Hypothesis

If the behavior of trade during the last 4 months of 1989 were the same as in the last 4 months of 1987, there would an additional 1,609,500,000 balboas in trade that would add up to 4,591,900,000 by the end of 1989.

Neither of the above hypotheses assume increases in comparison to the base years of 1987 and 1988. Hypotheses that take into account average monthly increases are much more encouraging.

Third Hypothesis

Total monthly trade has registered an average increase of 9.9 percent in comparison to 1987. If we assume that trade will increase at this same rate during the last 4 months of 1989, there would be 159.3 million balboas more in trade than during the last 4 months of 1987. This means that during the last 4 months of 1989 trade will total about 1,768,800,000 balboas, and by year's end there will be an accumulated trade total of about 4,751,200,000 balboas.

Fourth Hypothesis

Based on records of monthly averages, the last 4 months of each year have historically represented 36.86 percent of total trade. This means that about 1,741,100,000 balboas remain to be traded and that all import and reexport activity will add up to about 4,723,500,000 balboas by the end of 1989.

Fifth Hypothesis

If we assume an average decrease (which is nearly impossible at this point based on historical trends) of about 5 percent in comparison to levels reached during the last 4 months of 1987, there would still be additional trade of 1,529,000,000 balboas for the remainder of the year, to add up to a total of 4,511,400,000 balboas for 1989.

Sixth Hypothesis

If we are extremely flexible, and given that these estimates can be affected by internal and external noneconomic factors, such as sanctions imposed by the U.S. Government against Panama, we are allowing for a 5-percent margin of error in our estimates for the next 4-month period. This would imply that expected trade would be about 1,452,500,000 balboas. In other words, the total trade for 1989 would be about 4,434,900,000 balboas.

All these hypotheses indicate that it is certain that all records will be broken in 1989. Even in the worst of cases—if there were a 5-percent decrease in trade in comparison to the last 4 months of 1987 and the 5-percent margin of error were negative during the same period—trade would still surpass the 4,430,100,000-balboas mark registered in 1987.

Argentina

'General Agreement' Reached With IMF

PY2009232989 Buenos Aires TELAM in Spanish 2300 GMT 20 Sep 89

[Text] A high-level Economy Ministry source has reported that Argentina reached "a general agreement on all points" with the IMF this afternoon.

The source added that a memorandum will be carried to Washington tonight by Joaquin Ferran, the head of the IMF delegation to our country, who has thus ended his mission here.

The agreement has been laboriously negotiated over the past few days. The final agreement was reached during a long meeting between Finance Secretary Rodolfo Frigeri and Ferran himself.

Bolivia

Commander Considers Foreign Troops 'Unnecessary'

PY2009134389 La Paz La Red Panamericana in Spanish 1130 GMT 20 Sep 89

[Text] General Jorge Moreira, the Armed Forces commander, has reported that the Armed Forces transfer orders will be submitted to the president and the legislative branch sometime in November. Gen Moreira said that each branch of the Armed Forces is drafting its own lists and that this information will be combined into a single document that will be submitted to the government authorities.

Gen Moreira added that he has no information about the government's decision on the future role of the Armed Forces in the struggle against drug trafficking following the restructre of antidrug organizations. Moreira said the Armed Forces have never engaged in antidrug activities. He added that the Navy and the Air Force have granted logistical support and transported personnel and equipment needed for the antidrug struggle.

Gen Moreira said the Armed Forces are permanently checking the possible presence of foreign armed groups in Bolivian territory through their military posts. He also urged the pertinent government organizations to control the documents of foreign residents, particularly those which have not been renewed. He said this is an issue that must be given careful consideration.

Moreira said that the Armed Forces consider the presence of foreign troops to assist Bolivia in the struggle against drug trafficking to be unnecessary.

Minister on Antidrug Council, Government Plans

PY2009143289 La Paz La Red Panamaricana in Spanish 0000 GMT 20 Sep 89

[Text] The National Antidrug Council today continued to analyze the Bennett plan and the measures to be adopted to reorganize the institutions responsible for the antidrug struggle.

The meeting was held at the Foreign Ministry. Interior Minister Guillermo Capobianco said that the most important aspect of the antidrug struggle is to become fully aware that the producing countries and the consumer countries must share the responsibility for the problem.

Capobianco also said that equal attention must be given to implementing repression programs and alternative development programs. He added that the current administration will base its antidrug struggle on this philosophy, and thus seriously fight drug trafficking at all levels.

According to Minister Capobianco, the government, through the National Antidrug Fight Council, is continuing to analyze the institutional reorganization that is necessary to effectively repress the drug traffickers in Bolivia.

Asked whether the Bolivian Government will request further international cooperation, Capobianco said the president of the Republic will hold several meetings in the United States to explain that the problem is not just a lack of money, but principally that it is a fundamental problem that must be fought from all sides.

Capobianco concluded by saying that the government is permanently analyzing all aspects of the drug-trafficking problem.

Government Modifies Goals for Economic Sector

PY2009041389 La Paz PRESENCIA in Spanish 13 Sep 89 p 1

[Text] The Bolivian Government has modified the goals outlined by the former administration for the economic sector. Those goals that were to be implemented this year are part of the negotiations with the IMF.

The authorities have said that in 1989 the growth of the economy will be "slightly lower" than the 3.5 percent that had been initially estimated.

They admitted that the total inflation could reach 12 percent this year, which is acceptable to the IMF. It was previously estimated that total inflation would not exceed 10 percent.

During a news conference, Finance Minister David Blanco and Planning Minister Enrique Garcia said that the meetings with the IMF that are scheduled to end on 14 September are making positive progress.

Because of modifications in some aspects of the national and international economy, "the current goals are much more modest" than those estimated by the former administration during its negotiations with the IMF.

The new letter of intent between the Bolivian Government and the IMF will be signed in the United States during the meeting of the IMF and World Bank governors.

The IMF mission that arrived in Bolivia 2 weeks ago will make decisions on some pending matters of the negotiations that began during the former administration.

Argentina Pays $14 Million for Gas Purchase

PY2009130889 La Paz La Red Panamericana in Spanish 0000 GMT 20 Sep 89

[Text] Finance Minister David Blanco has officially reported that the Argentine Government has paid $14 million as the first part of an $18 million voucher on the purchase of Bolivian natural gas.

Minister Blanco said that during the current administration, the vouchers for June, July, and August—each of which amounts to $18 million—have been paid.

The minister explained that, in accordance with the payment schedule agreed by the two governments, Argentina promised to pay a total of $74 million, which corresponds to its debt to Bolivia to the month of August 1989. It was also agreed that the payments would begin in May this year.

Planning Minister Enrique Garcia has explained that representatives of the two countries will meet again to discuss the timetable and the form of further payments. The planning minister added that, despite a rather unstable economic situation, the Argentine Government has decided to honor its debt to Bolivia.

Japanese Government Grants $70-Million Loan

PY2009143789 La Paz PRESENCIA in Spanish 12 Sep 89 p 4

[Summary] Bolivian Foreign Minister Carlos Iturralde and Japanese Ambassador to Bolivia Toshio Takahata on 11 September signed exchange notes whereby the Japanese Government granted a $70-million loan to Bolivia. The loan will be disbursed over a 2-year period.

Brazil

Presence of Medellin Cartel Chiefs Denied

PY2009235189 Brasilia Domestic Service in Portuguese 2200 GMT 20 Sep 89

[Text] The Justice Ministry denied today that Medellin Cartel leaders are currently in Brazil. The ministry said that if these chiefs were in the country, the necessary measures would have been taken to arrest them:

[Begin Gustavo Baneare recording] Justice Minister Saulo Ramos was irritated by comments made by Laercio Pellegrino, former president of the Federal Narcotics Council, who said that two [number as heard] Medellin Cartel chiefs are reportedly in Brazil. Ramos said that Pellegrino had made those comments out of anger and that his ministry was taking all necessary measures to resolve the problems of drug trafficking and addiction in the country. Ramos added that one of the positive measures adopted after the dismissal of Pellegrino, who emphasized the struggle against drug traffickers, was aimed at working with families to help drug addicts.

The Justice Ministry also reported that, at the request of the U.S. State Department, the government had issued arrest warrants for Colombian drug traffickers and that photographs and information to aid in these arrests have already been sent to the security organizations.

Regarding a replacement for Laercio Pellegrino on the Federal Narcotics Council, the Justice Ministry reported that an announcement will be made on 25 September. [end recording]

Itamaraty Opposed to Any Moratorium on Debt

PY2009124289 Brasilia Domestic Service in Portuguese 2200 GMT 19 Sep 89

[Text] The Foreign Ministry is opposed to any delay in payments on the foreign debt. Itamaraty thinks that delays would only hurt the negotiation currently under way and would create problems for the next president.

Foreign Minister Abreu Sodre has admitted that the move could be useful to help solve the problem, but added it should not be taken as a final solution. Sodre thinks Brazil should first analyze all possible solutions through dialogue. Sodre gave his opinion on the way debtor countries should deal with the problem:

[Begin Sodre recording] The Brazilian foreign debt cannot be discussed simply as an acounting problem. Right now it cannot be paid unless conditions are changed. We have a debt with levels of interests, expenses, and conditions, that render it unpayable. We want a discount on interest rates, new terms, and new loans. That is the only way. [end recording]

Abreu Sodre said the foreign debt cannot be linked to ecological problems because Brazil is not for sale. Sodre added that Brazil is mature enough to face both problems independently.

Further on Nonpayment of Interest

PY2009180489 Rio de Janeiro O GLOBO in Portuguese 19 Sep 89 p 22

[Text] Brasilia—The Central Bank (BC) did not pay the interest due on the debt to the creditor private banks yesterday. The $1.6 billion for servicing the debt, which has been endorsed by Brazil, came due on 15 September. No money has been sent abroad, however, because no

agreement has yet been signed with the IMF and the banks for the supply of new money to the country.

The BC has announced that it was not asked to make any payment in the next few days either. If the negotiators who are discussing the agreements with the creditors ask, the BC can rapidly make a payment of, for example, $300 million, which is within the level maintained for emergencies.

Before leaving for Mexico, Finance Minister Mailson da Nobrega said that Brazil can use some of its exchange reserves to pay part of the due interest as soon as the banks disburse the $600 million remaining of the total $5.2 billion foreseen in the agreement signed in September 1988.

Yesterday, two representatives of the Creditor Banks Advising Committee met all day with Silvio Rodriguez Alves, head of the BC Economic Department. Lawrence Brainard of the Bankers Trust Company, and Ilona Beer of the Citibank have come to Brazil to be present at the drafting of the report on the Brazilian economy, which is sent to the creditor banks every 3 months.

Brainard and Beer are checking the March-June 1989 period. One of the most important events during this period was the policy adopted by the government on 30 June, which established that remittance of foreign currency should be made exclusively by the Central Bank.

Although the visit of the banks representatives is foreseen in a pre-established schedule, it gains special importance now in view of the negotiations that will be held with the creditors in New York on 21 and 22 September. Like the last negotatiations, these will be centered on the satisfactory performance of the monetary policy adopted in the country. The BC experts are trying to convince the creditors that the high-tax policy is preferable to hyperinflation.

Creditor

The Manufacturers Hanover yesterday became the first large creditor bank to increase its reserves to cover for the delay in the payment of the brazilian debt. the bank's reserves were increased by $950 million and now stand at $2.4 billion.

Supervision in Environmental Protection Planned

Forest Burning Monitored

PY2009040489 Brasilia Domestic Service in Portuguese 2200 GMT 19 Sep

[Text] The Mato Grosso Institute for Agricultural Defense will begin tomorrow the careful supervision of forest burning and timber cutting in the state. The 70 technicians assigned to the job have guaranteed they will strictly supervise the area.

The campaign is supported by the Brazilian Environment Institute [Instituto Brazileiro do Meio Ambiente] [IBAMA], which paid 890,000 cruzados to the government of mato Grosso to do the job. The campaign will concentrate on 25 municipalities that are considered to epitomize the problem. According to Gina Balmosida, Mato Grosso's adviser to the Environmental Secretariat, the campaign will start in the municipalities of Colider, Juina, and Barra do Gaca.

The technicians were trained to supervise the forest burning and timber cutting that farmers carry out in the state. The technicians will also check on the available information and regulations on the problem for application in other states.

In (Jasiara), 100 km from Cuiaba, the technicians will check on the consequences and problems created by the deforestation along river courses. Balmosida said the technicians will register the areas they visit and will check to see if farmers have the proper IBAMA authorization for timber cutting or the controlled burning of forests, the predominant activity of the area.

According to the spokesman, the job will continue until the end of the year.

Toxic Chemical Use Controlled

PY2109021789 Brasilia Domestic Service in Portuguese 2200 GMT 20 Sep 89

[Excerpt] Agriculture Minister Iris Rezende today in Rio de Janeiro discussed a problem that is worrying farmers: the use of toxic chemicals in agriculture.

Rezende assured farmers that the government will intensify its supervision over the use of toxic agents in agriculture. The minister stressed that this measure is a result of an incident in Sao Paulo in which authorities found tons of potatoes contaminated with mercury. The potatoes were brought in from Sao Joao da Boavista, in the interior of Sao Paulo State, and were sold in the markets and consumed by the population. [passage omitted]

Chile

Border Controls Tightened Against Traffickers

PY2109020289 Santiago EL MERCURIO in Spanish 12 Sep 89 pp C-1, C-12

[Text] The 5th Brigade of the Narcotics and Dangerous Drugs Department has implemented emergency measures to prevent Colombian drug traffickers and fugitives fleeing from President Virgilio Barco's campaign to disband the drug-trafficking gangs in that country from entering Chile.

Brigade Chief Omar Vega told EL MERCURIO that they had increased controls on foreigners entering Chile by land, air, and sea. Vega added that people previously involved in drug trafficking who are temporarily living in the country would be watched.

"We are keeping a close watch on our territory and are carrying out investigations to prevent the country from being used as a refuge for drug traffickers in the expected stampede from Colombia to other Andean countries," Vega said.

Vega also said that Chile is considered a stopover point in the illicit trafficking of cocaine to U.S. and European markets.

Police recently seized 5,000 kg of cocaine in the port of Arica and a yacht carrying nearly 300 kg of cocaine was seized in the port of Talcahuano a few months ago. The Investigative Police and the Carabineros seem determined to stop the flow through Chile.

Vega noted that his men have carried out 26 operations against drug trafficking in the last month. As a result, 43 individuals involved in the drug business were arrested and sent to court and 5,437 grams of cocaine, 64.5 kg of marijuana, and 17,856 pills of other drug varieties were seized.

"We must admit, regretfully, that drug trafficking and consumption is on the rise in Chile. It is a reality we have to face," Vega asserted.

Vega said that cocaine, because of its high price, is only used by people from certain social circles, but it has a highly degrading effect on users, causing them to commit acts of immorality and corruption. "Our main challenge here at the popular level, particularly among some confused young people, is to control the use of marijuana. It is easy to plant in our country, and it is cheap. We have recently seized marijuana as far south as Punta Arenas," Vega concluded.

Aylwin on Pardon for Military, Social Fund

PY2009154889 Santiago Domestic Service in Spanish 2300 GMT 19 Sep 89

[Text] Opposition presidential candidate Patricio Aylwin has reasserted that, if he is elected, the so-called social solidarity fund will be a fundamental tool of his administration. He added that this fund will be financed by increased taxation.

Aylwin said this in Bonn during a news conference he held before ending a 2-day visit to the FRG. The independent Bonn newspaper [name indistinct] has described Aylwin as having been a heavyweight in the Chilean Senate during the Allende regime. It added that many leftist politicians have described him as being coupist.

Asked about his activities in 1973, Aylwin reasserted that because it was ideologized, there was a rupture of Chilean democracy. He added that history will be the judge of past events.

Speaking about the so-called social solidarity fund, Aylwin said that through this fund the opposition coalition will be able to finance social assistance, economic, public health, and job programs.

About the payment of the foreign debt, Aylwin said he will think about it when he assumes power. Answering many questions that were asked because there is great mistrust in Europe regarding those countries undergoing a democratic process, Aylwin said that Chile will not follow the examples of Uruguay or Argentina. He said that he believes these were either unfortunate or complex experiences. Aylwin will also visit Belgium and Spain. He said that if he is elected, the human rights violations cases will be viewed on an individual basis, adding that perhaps all those involved may be pardoned.

PCCh's Teitelboim Interviewed 21 Aug

PY2009231089 Santiago COSAS in Spanish 14 Sep 89 pp 43-45

[Second and final part of interview with Volodia Teitelboim, secretary general of the Chilean Communist Party, PCCh, by Angelica Arndt on 21 August 1989; place not given]

[Excerpts] [Passage omitted] [Arndt] Perestroyka has deeply affected Soviet relations with Cuba, which, funded by Moscow, works as a "channel" for insurrection in Latin Ameica.... Fidel Castro stopped putting on airs after perestroyka began, and we have seen some astonishing events, like the trial and execution of some of Castro's close associates.

[Teitelboim] I totally disagree with your question. I do not agree with any of the criteria that you mention. I reject them all. Cuba is not a Soviet colony, but rather a country that is extraordinarily proud of its sovereignty.

[Arndt] Is Cuba economically self-sufficient?

[Teitelboim] Cuba lives on its work....

[Arndt] Doesn't it need Soviet aid to survive?

[Teitelboim] Cuba has trade relations with the USSR, which buys Cuban sugar and nickel and sells oil to Cuba. I believe that Cuban dignity and pride would not allow a policy based simply on trade relations or commercial interests.

[Arndt] Are you suggesting that Cuba has not been "subjected" to the commercial—and consequently—ideological interests of the USSR?

[Teitelboim] No. You do not know Fidel Castro. He is the proudest man in the world. I attended the 30th anniversary of the Cuban revolution in Havana and I listened to Fidel's speech. His speech was quite critical of relations with the USSR regarding the Namibian independence situation.... Cuba maintains a clear position on Third World independence, because Cuba feels that it is a Third World country with a strong African influence. Cuba believes that it is a

sister nation with those African countries that have struggled for their independence from colonialism. But I should tell you that Moscow cannot give any orders to Fidel, because Moscow gives no orders and because Cuba would not accept them anyway.

[Arndt] Do you think Fidel has tried to spread his revolution in Latin America?

[Teitelboim] I think there was a time for revolution. I believe that in all major revolutions, one makes the mistake of believing that it can be exported. It is obvious, however, that for many years now this has not happened in Latin America. Revolutions are internal situations caused by the people involved, and no one can impose a revolution from the outside.

[Arndt] You are the leader of an outlawed party. Have you been threatened?

[Teitelboim] I feel like a fish in water in Chile. When I arrived in Chile, I felt right at home; I am very happy in my country. When I arrived shortly before the plebiscite, I attended a lunch hosted by the Chilean writers' society. The society's president, Poli Delano, reported that death threats had been made against me. The meeting, however, went on normally. After all, death threats were very common in Chile for a long time. There is no reason to be afraid, although a madman or some hireling might decide to fulfill that type of order.

[Arndt] Would Solzhenitsyn be repressed as a dissident in today's USSR?

[Teitelboim] Not now. The USSR is now the country with the most freedom in the world. I come from the USSR and I can say that Soviet journalism is as free, sharp, and disrespectful as Chilean journalism. In the USSR, however, people are free to say things about the government that are much more serious than are said here. I am not talking about the past, but about the present. Today Solzhenitsyn could very well return to the USSR. [passage omitted]

[Arndt] Radio Moscow has said that an Aylwin victory would be due to the "participation of organized masses." How much will Aylwin owe to the PCCh if he wins? In your opinion, how much credit could the Popular Rebellion of the Masses claim in a victory by Aylwin?

[Teitelboim] Aylwin will owe to the PCCh something for which the PCCh will make no demands: the sincere support of its supporters and followers. We will help him unselfishly, without any previous accord and with all our power, and we will not demand anything in return. The PCCh obviously follows a policy for which Aylwin is not responsible. He has his own Christian Democratic concepts and has committed himself to the coalition's program, not to the PCCh program.

We will help him simply because of our common interest in freedom and democracy. That's all.

[Arndt] Many believe that for the past 16 years Pinochet has condemned communism, but that he has used it to his advantage to retain power....

[Teitelboim] He has never used Communists. Pinochet has failed to a great extent because he said he would exterminate the PCCh, but the party still exists. General Pinochet also failed in his plans to indefinitely stay in power when he was defeated in the 5 October plebiscite. The people told him that they did not want him to continue in power for 8 more years. He is now an increasingly lonely man who refuses to accept his defeat. Naturally, his supporters still insist on changing the course of events; this is why they persist in drafting the so-called "Z plans," a terrifying, apocalyptic version of communism that is far from the truth.

[Arndt] If Aylwin wins, what will be the attitude of the PCCh?... Will it cooperate or will it be vindicative?

[Teitelboim] Just as we have supported Aylwin's candidacy, we will also support his government so as to expedite the democratic transition process through dismantling the dictatorship apparatus and restablishing respect for human rights, freedom, and democracy. We will also look for possible agreements with the opposition coalition program. Offhand, we have no plans to engage in opposition activities. We hope that the future government will develop in line with these ideals and with what Aylwin has said in his speeches.

[Arndt] What are the expectations of the PCCh regarding the labor situation?

[Teitelboim] We believe that the social and economic problems afflicting the people should be solved. Of course, we will not request the impossible, because we believe that the country is facing a difficult situation. We believe that the implementation of an effective and clear-cut policy will help us solve these problems. We are aware of the fact that these problems cannot be solved with hasty measures. We will not promote a catastrophe or demand the impossible fromthe government or the country. What we do want is for them to be sensitive to a single fact: The 5 or 6 million poor Chileans are not second-rate citizens and they have the same rights as all Chileans. We all support the development of the country, but the government must also remember the workers, who will not demand the impossible but who must be treated fairly.

[Arndt] Do you think Aylwin is aware of this?

[Teitelboim] I believe so, but we will have to see the proof.

[Arndt] Do you think a "social agreement" will be a positive step to channel concerns in an orderly manner? As a Communist leader, what steps would you suggest in this direction?

[Teitelboim] We will have to study it. No agreement on any subject has been sought with the PCCh during the election campaign.

[Arndt] Don't you believe that it would be best to reach an agreement before the elections so as to help the future government during the upcoming 4 years, which will be difficult in view of the social demands it will have to face?

[Teitelboim] Yes, we believe it will be very important for Aylwin to have as much support as possible during the democratic regime from those forces that supported him during the election campaign.

[Arndt] Will the PCCh promote the mobilizations that were "heralded to all winds" by communist youths?

[Teitelboim] We will act for the well being of the people. Mobilizations in themselves are not bad; if they are well-channeled they can be positive from a democratic point of view. Mobilizations will undoubtedly take place because millions of Chileans will take part in, among other things, this election campaign. We support the workers, but we will only demand what is just.

[Arndt] Are you aware of the fact that you may be responsible for the return of a military regime?

[Teitelboim] We are aware that the threat of a coup will continue to loom over Chile, but it will not be brought about by what the Communists do but rather by what the Christian Democrats do.

[Arndt] Regarding the Communists... If the PCCh promotes disorders and the "social mobilizations" included in its "Popular Rebellion of the Masses"....

[Teitelboim] But they have no right to restrict the country's democratic activities. There are mobilizations everywhere; there are mobilizations wherever there are strikes, and the military does not interfere.

[Arndt] But several military officers, including Gen Pinochet, have recently warned that if Chile does not follow the "proper" path toward democracy....

[Teitelboim] They cannot be this country's guardians.

[Arndt] But in compliance with the Constitution, through the National Security Council or other means, they will "safeguard the institutions." Aren't you aware of this?

[Teitelboim] This Constitution must be amended. This is absolutely necessary if Chile is to be a democratic country again. This Constitution must be amended if we are to achieve this. That is a fact.

[Arndt] What do you believe will be the future of Gen Pinochet?

[Teitelboim] I would not like for him to remain as commander in chief. The president must appoint a commander in chief.

Colombia

U.S. Blacklist Disclosed; Reactions Noted

PA2109022089 Bogota Inravision Television Cadena 1 in Spanish 0010 GMT 21 Sep 89

[Text] The Spanish news agency EFE reported today that some 25 Colombian politicians, among them a former justice minister, are on a blacklist issued by the U.S. Government banning the entrance into that country of individuals linked to drug trafficking. According to EFE, the list is still unofficial. Here are the names:
Jairo Ortega Ramirez, Liberal Party [PL] representative for Antioquia Department; Pablo Escobar Gaviria was his alternate in 1982.
Arsesio Sanchez Ojeda, PL senator for Narino Department.
Jaime Vargas Suarez, PL representative for Atlantico Department.
David Name Teran, PL; senator Jose Name Teran's brother.
Bernardo Guerra Cerna, PL senator for Antioquia Department.
Victor Eduardo Dangond, PL representative for Magdalena Department.
Samuel Alberto Escruceria, PL representative for Narino Department.
Alberto Santofimio Botero, PL presidential hopeful, senator for Tolima Department.
Rafael Enrique Perez Martinez, Conservative Party representative for Bolivar Department.
Gilberto Flores Sanchez, PL representative for Putumayo Intendancy.
Juan Slevi Slevi, PL senator for Atlantic Department.

Tonight, after this information was revealed, we got the reaction of some of the senators whose visas to the United States have been cancelled.
Bernardo Guerra Cerna said: I knew about this list 8 months ago; the U.S. Government does this when one travels to the USSR.
Jairo Ortega Ramirez said: I wonder why I win all the lotteries; I have not been notified.
Alberto Santofimio Botero told EFE that he has a tourist visa to travel to the United States.
Arcesio Sanchez said: I have nothing to do with that.
Samuel Alberto Escruceria said: My passport says that I can travel to the United States until 1992.

We also heard the opinions of other politicians:

[Begin recording] [Reporter] Do you think the disclosure of this list helps the country?

[First unidentified person] Law enforcement is good for the country; however, illegal witch hunting is simply hurtful because what it does is lower the morale of many people.

[Second unidentified person] I think all this should be given wide publicity and that it should be thoroughly investigated, without reserve. I do not believe that any of the persons who cannot obtain visas are criminals or that

they are linked to criminals. On the other hand, I feel it is at least repulsive that some foreign countries—specifically the United States—should try to meddle in Colombian domestic policies. It would be very good if the Colombian Government, the Senate, and the Chamber of Representatives inquired into the reasons for this treatment of outstanding members of the Colombian Parliament.

[Reporter] Are you willing to conduct an investigation in the Senate in view of the fact that several of its members have been mentioned?

[First unidentified person] The Senate has a commission for internal regulations or internal discipline. I do not think we can conduct an investigation; however, one can request help from specialized agencies. [end recording]

881 Kg of Cocaine Destined for U.S. Seized

PA2009162789 Paris AFP in Spanish 1508 GMT 20 Sep 89

[Text] Barranquilla, Colombia, 20 Sep (AFP)—It was learned today in Barranquilla, capital city of Atlantico Department on the Caribbean coast of Colombia, that the police seized 881 kg of cocaine and 25 lbs of the derivative known as bazuco [cocaine sulfate; mixture of cocaine paste and marijuana or tobacco] during the search of the home of a dairy businessman in Barranquilla.

According to the reports, during the search carried out by a joint team of policemen and soldiers, several employees of the Colombian Industrial Dairy, Ltd, were arrested; however, businessman Pedro Rodriguez is still being sought.

The businessman is the brother of former Liberal Party parliamentarian Urbano Rodriguez, who has held major posts in the Atlantico Department administration, where he is also the president of a political directorate.

A police spokesman said that the cocaine was hidden in packs of foreign cigarettes ready to be shipped to the United States.

Military Authorities Admit Corruption in Army

PA2109023389 Buenos Aires REUTER in Spanish 2214 GMT 20 Sep 89

[Text] Bogota, 20 Sep (REUTER)—The Defense Ministry spokesman and the Antinarcotics police director today conceded that there are military men linked to drug traffickers within the Army ranks.

Defense Ministry spokesman Colonel Eduardo Arevalo said that "we cannot say that these are people who infiltrated, but rather people involved in drug-trafficking crimes."

When asked to comment about press reports today on corruption within the Armed Forces, Arevalo told REUTER that "drug traffickers have managed to buy certain people, but they make up less than 1 percent of the forces."

Meanwhile, Antinarcotics Police Director Brigadier General Rafael Munoz Sanabria said that "there is no doubt that certain people with ties to drug trafficking have infiltrated the police, but the institution itself has exposed them."

"The authorities are involved in a permanent campaign against drug traffickers; given that the barons are not out there for all to see we have to make great efforts to capture them," he added.

The Colombian Government launched an unprecedented campaign against drug-trafficking barons on 18 August. However, so far it has not yet detained any of the main leaders of the Medellin and Cali Cartels suspected of having illegally introduced into the United States 80 percent of the cocaine that enters that country.

In this regard, Col Arevalo pointed out that "in Colombia only former military men or policemen have been detained for drug trafficking."

He recalled the case of Lieutenant Colonel Plinio Correa who in 1987 was suspected of having helped Pablo Escobar, who was under detention in Medellin at the time, escape.

"Correa was expelled from the Army without any hesitation; the Army itself purges its ranks. This is why the entire institution cannot be accused of this," Arevalo added.

He pointed out that in the past year about 10 police and 5 Army officers were cleared of alleged links to drug trafficking.

Attorney General Alfonso Gomez said on 19 September that drug-trafficking barons managed to dodge actions against them, because they even have informants in the Armed Forces.

"It is not for a lack of military might that the drug-trafficking barons have not yet been captured; they do not have unbeatable armies. It is because they have informants in the police and Army who forwarn them about operations to capture them," Gomez is quoted as saying in newspaper LA PRENSA today.

Gomez said that 84 police and Army officers have been expelled in the past 8 months for misconduct.

British Envoy Interviewed on UK Mercenaries

PA2009142889 Bogota Inravision Television Cadena 1 in Spanish 0006 GMT 20 Sep 89

[Text] The British ambassador to Colombia confirmed today that the Colombian Government knew about the presence of mercenaries in the country. The British and Colombian intelligence services have been tracking down these individuals for over 4 months.

In an official statement, the British Government has rejected the activities conducted by the mercenaries and offered its support for the Colombian Government.

This is one of the British mercenaries [video shows head of unidentified blond male] who trained self-defense groups in the middle Magdalena region. The activities conducted by these 11 men were published in the British newspapers as another adventure. Today the British ambassador revealed that the British and Colombian intelligence services have been investigating these mercenaries since March.

[Begin recording] [British Ambassador Richard Neilson] The Colombian Government had some reports in late March of this year and we began providing information from early April. [end recording]

If Colombia provides evidence on the criminal activities of these men and if the judges request it, they may be extradited.

[Begin Neilson recording] There is an extradition treaty between Colombia and the Unioted Kingdom. It was signed in 1888, I believe. An amendment was signed in 1930. We have this cooperation agreement. The UK Government unequivocally and firmly condemns the activities of mercenaries who are working for drug traffickers in Colombia. [end recording]

DAS Chief Comments

PA2109020089 Bogota Inravision Television Cadena 1 in Spanish 0022 GMT 21 Sep 89

[Report by Diana Sofia Giraldo]

[Text] Today, General Miguel Maza Marquez, chief of DAS [Administrative Department of Security], made important statements in answer to questions put by the first Senate commission regarding the presence of foreign mercenaries in our country.

Maza said the mercenaries were not put under control on time because there was opposition from certain groups, which were interested in the truth not being told. According to him, the investigations were slow because of the continuous obstacles placed by groups such as MORENA [National Renewal Movement] and Acdegam [not further identified], as well as Colonel Bohorquez, commander of the Barbula Battalion. He also said there was interference from members of the narcotics police and the Army.

Maza stated that when the DAS and a narcotics police lieutenant tried to conduct the first judicial inspection in Puerto Boyaca, there was an information leak and the probe was delayed indefinitely.

[Begin Maza recording] During the course of the investigations, we found opposition from groups that were interested in the truth not being told. This finally led to a situation in which incidents, which could have been put under control at the proper time, are now causing the serious problems the country is facing. [end recording]

According to General Maza, President Virgilio Barco and his Security Council consisting of the defense, justice, and government ministers learned for the first time of the presence of foreign mercenaries in Colombia in April 1987, but it was not until 2 years later, in April 1989, that they received confirmation of the incidents.

[Begin Senator Jorge Seano recording] We can clearly say that the government, the president, and his ministers are lying to the country. The foreign minister lied when he said that he did not know anything about this. [end recording]

Maza said the violence began in the previous administration with the creation of guerrilla zones which the Army could not enter. Seano asked for the prosecution of foreign mercenaries, and said that Acdegam has links with the paramilitary groups and MORENA should not be granted legal status.

Maza added that students of henchmen schools are carrying out the attacks in the cities.

At the end of Maza's report, Senate President Luis Guillermo Giraldo said he was partially pleased with it. He proposed that the intelligence organizations of the government be improved.